

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

ANNUAL FINANCIAL REPORT

2010

CITY OF RUSHVILLE

RUSH COUNTY, INDIANA



FILED
08/09/2011

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Ann L. Copley	01-01-08 to 12-31-11
Mayor	Mervyn R. Bostic	01-01-08 to 12-31-11
President of the Board of Public Works and Safety	Mervyn R. Bostic	01-01-08 to 12-31-11
President of the Common Council	William Goins	01-01-10 to 12-31-11
Superintendent of Utilities	Les Day	01-01-10 to 12-31-11
Utility Office Manager	Ruth Ann Wise Gina Jenkins	01-01-10 to 08-23-10 08-23-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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 RUSHVILLE, RUSH COUNTY, INDIANA

We have audited the accompanying financial statement of the City of Rushville (City), for the year ended December 31, 2010. This financial statement is 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over reporting. Accordingly, we express no such opinion. 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 1, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2010, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated July 25, 2011, 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 integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. 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 financial statement.

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

Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt are presented for additional analysis and are not required parts of the financial statement. The Combining Schedule(s) of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the City's management, the 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 25, 2011



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AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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 RUSHVILLE, RUSH COUNTY, INDIANA

We have audited the financial statement of the City of Rushville (City), for the year ended December 31, 2010, and have issued our report thereon dated July 25, 2011. 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 opinion on the financial statement, 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 deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be 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 statement 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, the 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 25, 2011

FINANCIAL STATEMENT(S)

CITY OF RUSHVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and		Cash and	
	Investments	Receipts	Disbursements	Investments
	01-01-10			12-31-10
General	\$ 995,599	\$ 3,803,793	\$ 3,934,204	\$ 865,188
Cash Change	75	-	-	75
Motor Vehicle Highway	89,328	488,724	459,046	119,006
Local Roads & Street	19,595	18,857	19,085	19,367
Park And Recreation Nonreverting	62,232	48,848	65,035	46,045
Donations	10,434	62,917	53,309	20,042
Abandoned Vehicles	1,415	-	-	1,415
Rush County Victims Assistance Shelter Project	14,246	62,440	74,525	2,161
Law Enforcement Continuing Education	7,429	5,892	5,907	7,414
Unsafe Building	(6,176)	15,501	45	9,280
Build Indiana Community Center	227,895	215	20,079	208,031
Downtown Facade Grant	-	19,902	19,902	-
OJP Bulletproof Vest Grant	373	1,199	1,351	221
CDBG/OCRA Grant Emerson	30	400,000	400,000	30
Energy Efficiency and Conservation Block Grant	-	11,257	11,257	-
Operation Pullover Grant	368	2,714	2,904	178
Tobacco Enforcement Grant	1,566	-	-	1,566
Rainy Day	294,488	127,766	118,657	303,597
K-9 Division	501	-	501	-
Levy Excess Fund	-	11,694	-	11,694
TIF	534,494	361,131	41,310	854,315
Electric Liquidation	2,045,078	12,832	11,263	2,046,647
Community Improvement Redevelopment	33,614	15,483	15,635	33,462
21st Century	64,716	2,139	16,269	50,586
Intat Storm Sewer	317	-	-	317
Flatrock Apartment Escrow	507	-	-	507
IDFA Amietech	21,596	-	-	21,596
Brownfield Petro Grant Ss	19,669	-	-	19,669
Sanitation Nonreverting	23,006	10,843	7,167	26,682
Booker T. Washington Nonreverting	6,614	20,351	14,309	12,656
2Nd & Perkins Turn Radius	3,350	-	3,350	-
Forfeiture	2,751	-	-	2,751
Flexible Spending Account	20,107	1,890	4,527	17,470
Federal Deposit	56	19	41	34
Commerce Park Development	344,227	493	19,402	325,318
Fiber Optic	-	9,810	-	9,810
Criminal Investigation Nonreverting	-	60	-	60
Cumulative Capital Development	151,997	49,443	49,256	152,184
Cedit	366,449	276,792	327,798	315,443
Cumulative Capital Improvement	28,666	17,579	28,676	17,569
Police Pension	304,146	212,530	231,255	285,421
Fire Pension	294,112	74,983	100,697	268,398
Fire And Police Pension Trust	193,909	20,884	-	214,793
Payroll	80,997	2,580,776	2,578,174	83,599
Utility Payroll	159	453,717	449,265	4,611
Wastewater Revenue	206,802	1,224,582	1,194,088	237,296
Wastewater Debt Service Reserve	217,946	3,922	-	221,868
Wastewater Depreciation	98,595	201,628	43,902	256,321
Wastewater Construction	13,941	16	45	13,912
Wastewater Sinking	28,858	239,669	237,067	31,460
Water Operating	178,413	1,043,717	1,113,112	109,018
Water Debt Service Reserve	131,357	27,354	-	158,711
Water Depreciation	52,050	75,997	-	128,047
Water Meter Deposit	131,155	27,422	20,330	138,247
Water Construction	1,017,113	-	139,918	877,195
Water Sinking	20,758	229,774	227,346	23,186
Totals	<u>\$ 8,356,923</u>	<u>\$ 12,277,555</u>	<u>\$ 12,060,009</u>	<u>\$ 8,574,469</u>

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

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)

Note 1. 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 some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement(s) present(s) the financial information for the City (primary government), and does not include financial information for any of the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the City (primary government).

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

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

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

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

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by 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 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement and replacement items purchased.

Note 6. Pension Plan(s)

A. Public Employees' Retirement Fund

Plan Description

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

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

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

Funding Policy and Annual Pension Cost

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

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan 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

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

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Public Employees' Retirement Fund as provided under Indiana Code 5-10.3-11.

C. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' Pension Plan 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

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

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Public Employees' Retirement Fund as provided under Indiana Code 5-10.3-11.

CITY OF RUSHVILLE
NOTES TO FINANCIAL STATEMENT(S)
(Continued)

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

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is 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 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. 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

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

Note 7. Contingent Liability

The City of Rushville is the defendant in a lawsuit brought by a contractor asking that the City be required to pay monies over and above that provided in the fixed price contract between the parties due to the contractor experiencing increased costs for the construction project due to Hurricane Katrina and subsequent increase in construction pipe.

The lawsuit is in the summary judgment stage. Should the City not prevail, it could be exposed to a claim in excess of \$200,000.

Note 8. Subsequent Event

On February 28, 2011, the 2007 Commerce Park Revenue Bond was paid in full prior to the original maturity date in 2014.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City of Rushville's Annual Report(s) can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Cash Change	Motor Vehicle Highway	Local Roads & Street	Park And Recreation Nonreverting	Donations	Abandoned Vehicles
Cash and investments - beginning	\$ 995,599	\$ 75	\$ 89,328	\$ 19,595	\$ 62,232	\$ 10,434	\$ 1,415
Receipts:							
Taxes	2,608,440	-	270,435	-	-	-	-
Licenses and permits	1,019	-	450	-	-	-	-
Intergovernmental	1,044,150	-	213,932	18,720	-	-	-
Charges for services	24,138	-	3,357	-	36,775	-	-
Fines and forfeits	8,833	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	117,213	-	550	137	12,073	62,917	-
Total receipts	<u>3,803,793</u>	<u>-</u>	<u>488,724</u>	<u>18,857</u>	<u>48,848</u>	<u>62,917</u>	<u>-</u>
Disbursements:							
Personal services	2,865,495	-	270,453	-	3,831	-	-
Supplies	165,564	-	92,283	-	7,240	-	-
Other services and charges	734,205	-	89,610	19,085	23,125	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	83,471	-	6,700	-	27,689	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	85,469	-	-	-	3,150	53,309	-
Total disbursements	<u>3,934,204</u>	<u>-</u>	<u>459,046</u>	<u>19,085</u>	<u>65,035</u>	<u>53,309</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(130,411)</u>	<u>-</u>	<u>29,678</u>	<u>(228)</u>	<u>(16,187)</u>	<u>9,608</u>	<u>-</u>
Cash and investments - ending	<u>\$ 865,188</u>	<u>\$ 75</u>	<u>\$ 119,006</u>	<u>\$ 19,367</u>	<u>\$ 46,045</u>	<u>\$ 20,042</u>	<u>\$ 1,415</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Rush County Victims Assistance Shelter Project	Law Enforcement Continuing Education	Unsafe Building	Build Indiana Community Center	Downtown Facade Grant	OJP Bulletproof Vest Grant	CDBG/OCRA Grant Emerson
Cash and investments - beginning	\$ 14,246	\$ 7,429	\$ (6,176)	\$ 227,895	\$ -	\$ 373	\$ 30
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	2,045	-	-	-	-	-
Intergovernmental	62,440	-	-	-	19,902	-	400,000
Charges for services	-	1,889	12,114	-	-	-	-
Fines and forfeits	-	-	3,387	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	1,958	-	215	-	1,199	-
Total receipts	<u>62,440</u>	<u>5,892</u>	<u>15,501</u>	<u>215</u>	<u>19,902</u>	<u>1,199</u>	<u>400,000</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	1,454	-	-	-	-	-
Other services and charges	74,525	4,453	45	20,079	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	19,902	1,351	400,000
Total disbursements	<u>74,525</u>	<u>5,907</u>	<u>45</u>	<u>20,079</u>	<u>19,902</u>	<u>1,351</u>	<u>400,000</u>
Excess (deficiency) of receipts over disbursements	<u>(12,085)</u>	<u>(15)</u>	<u>15,456</u>	<u>(19,864)</u>	<u>-</u>	<u>(152)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,161</u>	<u>\$ 7,414</u>	<u>\$ 9,280</u>	<u>\$ 208,031</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 30</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Energy Efficiency and Conservation Block Grant	Operation Pullover Grant	Tobacco Enforcement Grant	Rainy Day	K-9 Division	Levy Excess Fund	TIF
Cash and investments - beginning	\$ -	\$ 368	\$ 1,566	\$ 294,488	\$ 501	\$ -	\$ 534,494
Receipts:							
Taxes	-	-	-	-	-	-	360,169
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	11,257	2,700	-	27,106	-	11,680	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	14	-	100,660	-	14	962
Total receipts	<u>11,257</u>	<u>2,714</u>	<u>-</u>	<u>127,766</u>	<u>-</u>	<u>11,694</u>	<u>361,131</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	501	-	-
Other services and charges	-	2,904	-	30,657	-	-	41,310
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	11,257	-	-	88,000	-	-	-
Total disbursements	<u>11,257</u>	<u>2,904</u>	<u>-</u>	<u>118,657</u>	<u>501</u>	<u>-</u>	<u>41,310</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(190)</u>	<u>-</u>	<u>9,109</u>	<u>(501)</u>	<u>11,694</u>	<u>319,821</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 178</u>	<u>\$ 1,566</u>	<u>\$ 303,597</u>	<u>\$ -</u>	<u>\$ 11,694</u>	<u>\$ 854,315</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Electric Liquidation	Community Improvement Redevelopment	21St Century	Intat Storm Sewer	Flatrock Apartment Escrow	IDFA Ameritech
Cash and investments - beginning	\$ 2,045,078	\$ 33,614	\$ 64,716	\$ 317	\$ 507	\$ 21,596
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	14,840	2,069	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	12,832	643	70	-	-	-
Total receipts	<u>12,832</u>	<u>15,483</u>	<u>2,139</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	795	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	11,263	14,840	16,269	-	-	-
Total disbursements	<u>11,263</u>	<u>15,635</u>	<u>16,269</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1,569</u>	<u>(152)</u>	<u>(14,130)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 2,046,647</u>	<u>\$ 33,462</u>	<u>\$ 50,586</u>	<u>\$ 317</u>	<u>\$ 507</u>	<u>\$ 21,596</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Brownfield Petro Grant Ss	Sanitation Nonreverting	Booker T. Washington Nonreverting	2Nd & Perkins Turn Radius	Forfeiture	Flexible Spending Account
Cash and investments - beginning	\$ 19,669	\$ 23,006	\$ 6,614	\$ 3,350	\$ 2,751	\$ 20,107
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	10,726	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	117	20,351	-	-	1,890
Total receipts	-	10,843	20,351	-	-	1,890
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	7,167	12,584	3,350	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	1,725	-	-	4,527
Total disbursements	-	7,167	14,309	3,350	-	4,527
Excess (deficiency) of receipts over disbursements	-	3,676	6,042	(3,350)	-	(2,637)
Cash and investments - ending	\$ 19,669	\$ 26,682	\$ 12,656	\$ -	\$ 2,751	\$ 17,470

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Federal Deposit	Commerce Park Development	Fiber Optic	Criminal Investigation Nonreverting	Cumulative Capital Development	CREDIT
Cash and investments - beginning	\$ 56	\$ 344,227	\$ -	\$ -	\$ 151,997	\$ 366,449
Receipts:						
Taxes	-	-	9,800	-	44,496	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	4,747	276,312
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	19	493	10	60	200	480
Total receipts	<u>19</u>	<u>493</u>	<u>9,810</u>	<u>60</u>	<u>49,443</u>	<u>276,792</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	41	-	-	-	-	-
Other services and charges	-	19,402	-	-	9,256	291,548
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	40,000	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	36,250
Total disbursements	<u>41</u>	<u>19,402</u>	<u>-</u>	<u>-</u>	<u>49,256</u>	<u>327,798</u>
Excess (deficiency) of receipts over disbursements	<u>(22)</u>	<u>(18,909)</u>	<u>9,810</u>	<u>60</u>	<u>187</u>	<u>(51,006)</u>
Cash and investments - ending	<u>\$ 34</u>	<u>\$ 325,318</u>	<u>\$ 9,810</u>	<u>\$ 60</u>	<u>\$ 152,184</u>	<u>\$ 315,443</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Cumulative Capital Improvement	Police Pension	Fire Pension	Fire And Police Pension Trust	Payroll	Utility Payroll
Cash and investments - beginning	\$ 28,666	\$ 304,146	\$ 294,112	\$ 193,909	\$ 80,997	\$ 159
Receipts:						
Taxes	-	-	-	20,000	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	17,553	206,493	68,698	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	26	6,037	6,285	884	2,580,776	453,717
Total receipts	<u>17,579</u>	<u>212,530</u>	<u>74,983</u>	<u>20,884</u>	<u>2,580,776</u>	<u>453,717</u>
Disbursements:						
Personal services	-	221,155	89,917	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	100	780	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	28,676	10,000	10,000	-	2,578,174	449,265
Total disbursements	<u>28,676</u>	<u>231,255</u>	<u>100,697</u>	<u>-</u>	<u>2,578,174</u>	<u>449,265</u>
Excess (deficiency) of receipts over disbursements	<u>(11,097)</u>	<u>(18,725)</u>	<u>(25,714)</u>	<u>20,884</u>	<u>2,602</u>	<u>4,452</u>
Cash and investments - ending	<u>\$ 17,569</u>	<u>\$ 285,421</u>	<u>\$ 268,398</u>	<u>\$ 214,793</u>	<u>\$ 83,599</u>	<u>\$ 4,611</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Wastewater Revenue	Wastewater Debt Service Reserve	Wastewater Depreciation	Wastewater Construction	Wastewater Sinking	Water Operating
Cash and investments - beginning	\$ 206,802	\$ 217,946	\$ 98,595	\$ 13,941	\$ 28,858	\$ 178,413
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	1,221,307	-	-	-	-	1,035,926
Other receipts	3,275	3,922	201,628	16	239,669	7,791
Total receipts	<u>1,224,582</u>	<u>3,922</u>	<u>201,628</u>	<u>16</u>	<u>239,669</u>	<u>1,043,717</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	43,902	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	842,664	-	-	-	-	1,113,112
Other disbursements	351,424	-	-	45	237,067	-
Total disbursements	<u>1,194,088</u>	<u>-</u>	<u>43,902</u>	<u>45</u>	<u>237,067</u>	<u>1,113,112</u>
Excess (deficiency) of receipts over disbursements	<u>30,494</u>	<u>3,922</u>	<u>157,726</u>	<u>(29)</u>	<u>2,602</u>	<u>(69,395)</u>
Cash and investments - ending	<u>\$ 237,296</u>	<u>\$ 221,868</u>	<u>\$ 256,321</u>	<u>\$ 13,912</u>	<u>\$ 31,460</u>	<u>\$ 109,018</u>

CITY OF RUSHVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Water Debt Service Reserve	Water Depreciation	Water Meter Deposit	Water Construction	Water Sinking	Totals
Cash and investments - beginning	\$ 131,357	\$ 52,050	\$ 131,155	\$ 1,017,113	\$ 20,758	\$ 8,356,923
Receipts:						
Taxes	-	-	-	-	-	3,313,340
Licenses and permits	-	-	-	-	-	3,514
Intergovernmental	-	-	-	-	-	2,402,599
Charges for services	-	-	-	-	-	88,999
Fines and forfeits	-	-	-	-	-	12,220
Utility fees	-	-	-	-	-	2,257,233
Other receipts	27,354	75,997	27,422	-	229,774	4,199,650
Total receipts	27,354	75,997	27,422	-	229,774	12,277,555
Disbursements:						
Personal services	-	-	-	-	-	3,450,851
Supplies	-	-	-	-	-	267,083
Other services and charges	-	-	-	-	-	1,384,980
Debt service - principal and interest	-	-	20,330	-	-	64,232
Capital outlay	-	-	-	-	-	157,860
Utility operating expenses	-	-	-	139,918	-	2,095,694
Other disbursements	-	-	-	-	227,346	4,639,309
Total disbursements	-	-	20,330	139,918	227,346	12,060,009
Excess (deficiency) of receipts over disbursements	27,354	75,997	7,092	(139,918)	2,428	217,546
Cash and investments - ending	\$ 158,711	\$ 128,047	\$ 138,247	\$ 877,195	\$ 23,186	\$ 8,574,469

CITY OF RUSHVILLE
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

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

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 4,150,000
Infrastructure	11,423,229
Buildings	2,643,021
Improvements other than buildings	1,680,866
Machinery and equipment	<u>2,159,327</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 22,056,443</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 64,104
Construction in progress	269,313
Buildings	1,467,200
Improvements other than buildings	3,173,010
Machinery and equipment	<u>988,055</u>
 Total Water Utility capital assets	 <u>5,961,682</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	173,600
Buildings	1,920,840
Machinery and equipment	<u>5,749,206</u>
 Total Wastewater Utility capital assets	 <u>7,843,646</u>
 Total business-type activities capital assets	 <u>\$ 13,805,328</u>

CITY OF RUSHVILLE
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The City has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
2008 Trash Packer	\$ 40,581	\$ 21,500
2009 Pothole Patcher	12,260	6,745
2009 Fire Truck	720,060	75,575
2010 Trash Packer	104,915	23,441
Bonds payable:		
Revenue bonds:		
1999 Pool Construction	305,000	58,040
2007 Commerce Park *	<u>810,000</u>	<u>230,900</u>
Total governmental activities debt	<u>\$ 1,992,816</u>	<u>\$ 416,201</u>
Business-type activities:		
Water Utility:		
Revenue bonds:		
2001 Water Works Refunding	\$ 130,000	\$ 134,875
2005 Water Works Construction	744,000	42,000
2009 Water Tower Construction	<u>1,115,000</u>	<u>49,715</u>
Total Water Utility	<u>1,989,000</u>	<u>226,590</u>
Wastewater Utility:		
Revenue bonds:		
1995 Wastewater Construction	815,000	191,455
2005 Wastewater Construction	<u>924,100</u>	<u>502,562</u>
Total business-type activities debt	<u>\$ 3,728,100</u>	<u>\$ 920,607</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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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 RUSHVILLE, RUSH COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Rushville (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, 2010. The City's major federal program is 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 its major federal program 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 its major federal program for the year ended December 31, 2010.

Internal Control Over Compliance

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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 deficiency in 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 and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the City's management, the Common Council, others within the entity, 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 25, 2011

CITY OF RUSHVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2010

Federal Grantor Agency/Pass-Through Entity 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 State Administered CDBG Cluster Community Development Block Grants/State's Program Disaster Recovery Grant	14.228	DR2-09-037 PL-05-072	\$ 400,000 19,902 -
Pass-Through Indiana Housing and Community Development Authority Community Development Block Grants/State's Program	14.228	HD-007-028	<u>62,440</u>
Total for federal grantor agency			<u>482,342</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute JAG Program Cluster ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	09-JRA-029	47,000
Direct Grant Bulletproof Vest Partnership Program	16.607		<u>1,351</u>
Total for federal grantor agency			<u>48,351</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205	DES 0800722	11,854
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster State and Community Highway Safety	20.600	OP-11-02-01-84	672
Safety Belt Performance Grants	20.609	OP-10-02-01-96	<u>2,218</u>
Total for Cluster			<u>2,890</u>
Total for federal grantor agency			<u>14,744</u>
<u>U.S. DEPARTMENT OF ENERGY</u>			
Pass-Through Indiana Office of Energy Development ARRA Energy Efficiency and Conservation Block Grant Program	81.128	11-EECBG-02-024	<u>11,257</u>
Total federal awards expended			<u>\$ 556,694</u>

The accompanying note(s) are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF RUSHVILLE
NOTE(S) TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Rushville (City) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

CITY OF RUSHVILLE
RUSH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF RUSHVILLE
EXIT CONFERENCE

The contents of this report were discussed on July 25, 2011, with Mervyn R. Bostic, Mayor; William Goins, President of the Common Council; and Ann L. Copley, Clerk-Treasurer. Our audit disclosed no material items that warrant comment at this time.