

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

TOWN OF MOORESVILLE  
MORGAN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
04/23/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sandra Perry	01-01-11 to 12-31-15
President of the Town Council	George Watkins	01-01-11 to 12-31-12
Superintendent of Wastewater Utility	David Moore	01-01-11 to 12-31-12
Judge	Susan J. Crouch-Leib	01-01-11 to 12-31-15



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MOORESVILLE, MORGAN COUNTY, INDIANA

We have audited the accompanying financial statement of the Town of Mooresville (Town), for the year ended December 31, 2011. The financial statement is the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statement 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 statement is free of material misstatements. 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 Town'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 statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Town 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 Town for the year ended December 31, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 3, 2012, on our consideration of the Town'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.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

Our audit was conducted for the purpose of forming an opinion on the Town'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. 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 Town's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis is presented for additional analysis and is not required part of the financial statement. It has not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Town's management, Town 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

April 3, 2012



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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

Telephone: (317) 232-2513  
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF MOORESVILLE, MORGAN COUNTY, INDIANA

We have audited the financial statement of the Town of Mooresville (Town), for the year ended December 31, 2011, and have issued our report thereon dated April 3, 2012. 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 Town's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town'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 misstatements 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 THE FINANCIAL STATEMENT  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statement is free of material misstatements, 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 statements 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 Town's management, Town 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

April 3, 2012

## FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the Town. The financial statement and notes are presented as intended by the Town.

TOWN OF MOORESVILLE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General Fund	\$ 980,708	\$ 3,979,295	\$ 4,052,767	\$ 907,236
Motor Vehicle Highway	365,248	1,133,424	1,132,215	366,457
Local Road and Street	395,648	82,809	68,089	410,368
Food And Beverage	1,859,613	333,657	131,400	2,061,870
Burglar Alarm Permits	653	12,322	9,022	3,953
Park Nonrevert Operating	198,165	57,399	37,408	218,156
Court Fines In Trust	5,300	-	-	5,300
Local Law Enforcement Continuing Education	52,366	10,657	2,215	60,808
County Court	-	43,548	43,548	-
Town Court	34,052	665,812	679,959	19,905
Unsafe Building	27,500	3,500	-	31,000
Riverboat	183,008	58,031	83,578	157,461
Park & Recreation	80,520	877,017	893,824	63,713
Rainy Day	984,728	-	317,644	667,084
Park Excess Levy	976	-	976	-
Redevelopment TIF 1	3,240,222	1,176,851	207,665	4,209,408
Police Drug	38,337	3,952	5,992	36,297
Cumulative Capital Improvement	32,094	26,630	10,056	48,668
Cumulative Capital Development	350,234	123,886	1,000	473,120
Park Non-Reverting Capital	1,070,334	69,515	52,488	1,087,361
Redevelopment Interest	316,864	8,729	-	325,593
Edit	485,353	343,223	341,000	487,576
Operation Pullover	-	1,250	1,250	-
Kendrick Financial Grant Donation	-	11,840	11,827	13
Non-Reverting CPR Donations	-	2,860	1,028	1,832
Payroll Garnishments	-	546	546	-
Petty Cash	400	-	-	400
Park Petty Cash	300	-	-	300
Cemetery	5,874	9,745	8,730	6,889
Fire Donation	4,797	400	158	5,039
Park Donations	46,468	6,270	9,525	43,213
Criminal Justice Reimbursement	2,924	-	-	2,924
Police Continuing Education	29,358	100,160	99,984	29,534
TIF 2 Expanded	164,843	37,041	-	201,884
Redevelopment TIF 2	1,494,853	612,208	254,950	1,852,111
Town Improvement Donations	12,090	-	-	12,090
Mooreville Court Fax	106	17	-	123
Police Donation	15,348	1,668	1,704	15,312
Public Safety Loit	319,193	532,736	570,133	281,796
Non-Reverting Building	142,293	50,070	30,718	161,645
Non-Reverting Stormwater/Soil Erosion	19,338	7,728	2,762	24,304

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

TOWN OF MOORESVILLE  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011  
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Economic Development Use	13,750	-	-	13,750
State Revolving Fund Mooresville Bond & Interest	102,828	579,540	52,005	630,363
State Revolving Fund Mooresville Disbursement	49,792	119,496	-	169,288
State Revolving Fund Mooresville Construction	1,250,110	5	-	1,250,115
State Revolving fund Wastwater Mooresville	-	4,590,090	4,590,090	-
Cemetery Perm Maintenance	725	25	-	750
Levy Excess Fund	9,240	-	9,240	-
Payroll Net Payroll	-	2,717,550	2,717,550	-
Payroll Miscellaneous Charges	463	301	-	764
Payroll Federal Withholding	-	374,934	374,934	-
Payroll Fica Withholding	-	350,085	350,085	-
Payroll State/City Withholding	-	222,008	222,008	-
Payroll Core Source	-	33,764	33,764	-
Health Self Insurance	185,341	1,840,206	1,898,346	127,201
Payroll Interest Earned	248	18	-	266
Payroll 77 Pension Plan	12,496	76,275	76,416	12,355
Payroll Perf Voluntary Deductions	1,484	2,975	3,769	690
Payroll-Giffcu	-	87,456	87,456	-
Payroll-Indiana Paging Employment	-	253	253	-
Payroll Pebsco	-	62,093	62,093	-
Payroll-Pfs Shareholders	-	4,900	4,900	-
Payroll American Heritage Insurance	-	1,483	1,483	-
Payroll Aflac	-	10,819	10,819	-
Payroll Colonial Life	-	2,726	2,726	-
Payroll M & I Bank-Moore	-	1,300	1,300	-
Payroll Town Of Mooresville Wastwater Plant	-	1,100	1,100	-
Payroll Child Support	-	15,194	15,194	-
Payroll Worksite Solutions	-	2,389	2,389	-
Payroll Payrolle-Paid Legal	-	2,590	2,590	-
Michigan Child Support	-	10,292	10,292	-
Payroll Annual Child Support Fee	-	220	220	-
Stormwater User Fees	195,097	121,577	118,492	198,182
Wastewater Operating	1,236,178	2,315,390	2,438,469	1,113,099
Wastewater Bond & Interest	-	549,036	549,036	-
Wastewater Plant Improvement	583,505	496,690	-	1,080,195
Wastewater Development Availability	926	14,107	4,000	11,033
Wastewater Sewer Availability	264,578	15,502	-	280,080
Wastewater Federal Grant	-	3,309,377	3,309,377	-
<b>Totals</b>	<b>\$ 16,866,869</b>	<b>\$ 28,316,562</b>	<b>\$ 26,014,557</b>	<b>\$ 19,168,874</b>

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

TOWN OF MOORESVILLE  
NOTES TO FINANCIAL STATEMENT

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, storm water, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the Town (primary government), and does not include financial information for any of the Town'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 Town (primary government).

*B. Basis of Accounting*

The financial statement is 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 statement. 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, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits 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, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

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

TOWN OF MOORESVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 statement. 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 Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

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

TOWN OF MOORESVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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 Town 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 Town. 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 Town. 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 Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

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

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by 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.

TOWN OF MOORESVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

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

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

**Note 5. Risk Management**

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

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

**Note 6. Pension Plans**

*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 Town 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:

TOWN OF MOORESVILLE  
NOTES TO FINANCIAL STATEMENT  
(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. 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 Town are established by the Board of Trustees of PERF.

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the Town which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	General Fund	Motor Vehicle Highway	Local Road and Street	Food And Beverage	Burglar Alarm Permits	Park Nonrevert Operating	Court Fines In Trust
Cash and investments - beginning	\$ 980,708	\$ 365,248	\$ 395,648	\$ 1,859,613	\$ 653	\$ 198,165	\$ 5,300
Receipts:							
Taxes	1,733,480	540,938	-	333,657	-	-	-
Licenses and permits	9,969	-	-	-	12,322	-	-
Intergovernmental	1,866,609	291,250	82,809	-	-	-	-
Charges for services	83,168	1,236	-	-	-	57,399	-
Fines and forfeits	137,424	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	148,645	300,000	-	-	-	-	-
Total receipts	<u>3,979,295</u>	<u>1,133,424</u>	<u>82,809</u>	<u>333,657</u>	<u>12,322</u>	<u>57,399</u>	<u>-</u>
Disbursements:							
Personal services	3,312,520	673,887	-	-	-	-	-
Supplies	213,491	102,363	-	-	9,022	-	-
Other services and charges	515,668	330,965	-	-	-	37,408	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	10,888	-	68,089	131,400	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	200	25,000	-	-	-	-	-
Total disbursements	<u>4,052,767</u>	<u>1,132,215</u>	<u>68,089</u>	<u>131,400</u>	<u>9,022</u>	<u>37,408</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(73,472)</u>	<u>1,209</u>	<u>14,720</u>	<u>202,257</u>	<u>3,300</u>	<u>19,991</u>	<u>-</u>
Cash and investments - ending	<u>\$ 907,236</u>	<u>\$ 366,457</u>	<u>\$ 410,368</u>	<u>\$ 2,061,870</u>	<u>\$ 3,953</u>	<u>\$ 218,156</u>	<u>\$ 5,300</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Local Law Enforcement Continuing Education	County Court	Town Court	Unsafe Building	Riverboat	Park & Recreation	Rainy Day
Cash and investments - beginning	\$ 52,366	\$ -	\$ 34,052	\$ 27,500	\$ 183,008	\$ 80,520	\$ 984,728
Receipts:							
Taxes	-	-	-	-	-	560,552	-
Licenses and permits	4,550	-	-	-	-	-	-
Intergovernmental	-	-	-	-	58,031	55,010	-
Charges for services	6,107	-	-	-	-	259,346	-
Fines and forfeits	-	43,548	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	665,812	3,500	-	2,109	-
Total receipts	10,657	43,548	665,812	3,500	58,031	877,017	-
Disbursements:							
Personal services	-	-	-	-	-	607,246	-
Supplies	2,215	-	-	-	-	97,455	-
Other services and charges	-	43,548	-	-	-	162,781	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	23,060	17,644
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	679,959	-	83,578	3,282	300,000
Total disbursements	2,215	43,548	679,959	-	83,578	893,824	317,644
Excess (deficiency) of receipts over disbursements	8,442	-	(14,147)	3,500	(25,547)	(16,807)	(317,644)
Cash and investments - ending	\$ 60,808	\$ -	\$ 19,905	\$ 31,000	\$ 157,461	\$ 63,713	\$ 667,084

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Park Excess Levy	Redevelopment TIF 1	Police Drug	Cumulative Capital Improvement	Cumulative Capital Development	Park Non-Reverting Capital	Redevelopment Interest
Cash and investments - beginning	\$ 976	\$ 3,240,222	\$ 38,337	\$ 32,094	\$ 350,234	\$ 1,070,334	\$ 316,864
Receipts:							
Taxes	-	1,176,851	-	-	114,224	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	26,630	9,662	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	3,952	-	-	69,515	8,729
Total receipts	-	1,176,851	3,952	26,630	123,886	69,515	8,729
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	7,665	5,992	-	-	-	-
Debt service - principal and interest	-	200,000	-	-	-	-	-
Capital outlay	-	-	-	-	1,000	52,488	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	976	-	-	10,056	-	-	-
Total disbursements	976	207,665	5,992	10,056	1,000	52,488	-
Excess (deficiency) of receipts over disbursements	(976)	969,186	(2,040)	16,574	122,886	17,027	8,729
Cash and investments - ending	\$ -	\$ 4,209,408	\$ 36,297	\$ 48,668	\$ 473,120	\$ 1,087,361	\$ 325,593

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Edit	Operation Pullover	Kendrick Financial Grant Donation	Non-Reverting CPR Donations	Payroll Garnishments	Petty Cash	Park Petty Cash
Cash and investments - beginning	\$ 485,353	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ 300
Receipts:							
Taxes	343,028	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	195	1,250	11,840	2,860	546	-	-
Total receipts	<u>343,223</u>	<u>1,250</u>	<u>11,840</u>	<u>2,860</u>	<u>546</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	1,250	-	-	-	-	-
Supplies	-	-	11,827	1,028	-	-	-
Other services and charges	341,000	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	546	-	-
Total disbursements	<u>341,000</u>	<u>1,250</u>	<u>11,827</u>	<u>1,028</u>	<u>546</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,223</u>	<u>-</u>	<u>13</u>	<u>1,832</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 487,576</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 1,832</u>	<u>\$ -</u>	<u>\$ 400</u>	<u>\$ 300</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Cemetery	Fire Donation	Park Donations	Criminal Justice Reimbursement	Police Continuing Education	TIF 2 Expanded	Redevelopment TIF 2
Cash and investments - beginning	\$ 5,874	\$ 4,797	\$ 46,468	\$ 2,924	\$ 29,358	\$ 164,843	\$ 1,494,853
Receipts:							
Taxes	-	-	-	-	-	37,041	612,208
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	9,745	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	100,160	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	400	6,270	-	-	-	-
Total receipts	<u>9,745</u>	<u>400</u>	<u>6,270</u>	<u>-</u>	<u>100,160</u>	<u>37,041</u>	<u>612,208</u>
Disbursements:							
Personal services	7,000	-	-	-	-	-	-
Supplies	1,326	158	9,525	-	-	-	-
Other services and charges	404	-	-	-	99,984	-	-
Debt service - principal and interest	-	-	-	-	-	-	100,000
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	154,950
Total disbursements	<u>8,730</u>	<u>158</u>	<u>9,525</u>	<u>-</u>	<u>99,984</u>	<u>-</u>	<u>254,950</u>
Excess (deficiency) of receipts over disbursements	<u>1,015</u>	<u>242</u>	<u>(3,255)</u>	<u>-</u>	<u>176</u>	<u>37,041</u>	<u>357,258</u>
Cash and investments - ending	<u>\$ 6,889</u>	<u>\$ 5,039</u>	<u>\$ 43,213</u>	<u>\$ 2,924</u>	<u>\$ 29,534</u>	<u>\$ 201,884</u>	<u>\$ 1,852,111</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Town Improvement Donations	Mooreville Court Fax	Police Donation	Public Safety Loit	Non-Reverting Building	Non-Reverting Stormwater/Soil Erosion	Economic Development Use
Cash and investments - beginning	\$ 12,090	\$ 106	\$ 15,348	\$ 319,193	\$ 142,293	\$ 19,338	\$ 13,750
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	50,070	7,728	-
Intergovernmental	-	-	-	532,736	-	-	-
Charges for services	-	17	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	1,668	-	-	-	-
Total receipts	-	17	1,668	532,736	50,070	7,728	-
Disbursements:							
Personal services	-	-	-	458,281	22,374	-	-
Supplies	-	-	1,704	-	1,424	-	-
Other services and charges	-	-	-	-	450	2,762	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	111,852	6,470	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	1,704	570,133	30,718	2,762	-
Excess (deficiency) of receipts over disbursements	-	17	(36)	(37,397)	19,352	4,966	-
Cash and investments - ending	<u>\$ 12,090</u>	<u>\$ 123</u>	<u>\$ 15,312</u>	<u>\$ 281,796</u>	<u>\$ 161,645</u>	<u>\$ 24,304</u>	<u>\$ 13,750</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	State Revolving Fund Mooresville Bond & Interest	State Revolving Fund Mooresville Disbursement	State Revolving Fund Mooresville Construction	State Revolving fund Wastwater Mooresville	Cemetery Perm Maintenance	Levy Excess Fund	Payroll Net Payroll
Cash and investments - beginning	\$ 102,828	\$ 49,792	\$ 1,250,110	\$ -	\$ 725	\$ 9,240	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	25	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>579,540</u>	<u>119,496</u>	<u>5</u>	<u>4,590,090</u>	<u>-</u>	<u>-</u>	<u>2,717,550</u>
Total receipts	<u>579,540</u>	<u>119,496</u>	<u>5</u>	<u>4,590,090</u>	<u>25</u>	<u>-</u>	<u>2,717,550</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	52,005	-	-	4,590,090	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,240</u>	<u>2,717,550</u>
Total disbursements	<u>52,005</u>	<u>-</u>	<u>-</u>	<u>4,590,090</u>	<u>-</u>	<u>9,240</u>	<u>2,717,550</u>
Excess (deficiency) of receipts over disbursements	<u>527,535</u>	<u>119,496</u>	<u>5</u>	<u>-</u>	<u>25</u>	<u>(9,240)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 630,363</u>	<u>\$ 169,288</u>	<u>\$ 1,250,115</u>	<u>\$ -</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Payroll Miscellaneous Charges	Payroll Federal Withholding	Payroll Fica Withholding	Payroll State/City Withholding	Payroll Core Source	Health Self Insurance	Payroll Interest Earned
Cash and investments - beginning	\$ 463	\$ -	\$ -	\$ -	\$ -	\$ 185,341	\$ 248
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	664,706	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	301	374,934	350,085	222,008	33,764	1,175,500	18
Total receipts	<u>301</u>	<u>374,934</u>	<u>350,085</u>	<u>222,008</u>	<u>33,764</u>	<u>1,840,206</u>	<u>18</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	1,898,346	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	374,934	350,085	222,008	33,764	-	-
Total disbursements	<u>-</u>	<u>374,934</u>	<u>350,085</u>	<u>222,008</u>	<u>33,764</u>	<u>1,898,346</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>301</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(58,140)</u>	<u>18</u>
Cash and investments - ending	<u>\$ 764</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,201</u>	<u>\$ 266</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Payroll 77 Pension Plan	Payroll Perf Voluntary Deductions	Payroll-Giffcu	Payroll-Indiana Paging Employment	Payroll PebSCO	Payroll-Pfs Shareholders
Cash and investments - beginning	\$ 12,496	\$ 1,484	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	<u>76,275</u>	<u>2,975</u>	<u>87,456</u>	<u>253</u>	<u>62,093</u>	<u>4,900</u>
Total receipts	<u>76,275</u>	<u>2,975</u>	<u>87,456</u>	<u>253</u>	<u>62,093</u>	<u>4,900</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>76,416</u>	<u>3,769</u>	<u>87,456</u>	<u>253</u>	<u>62,093</u>	<u>4,900</u>
Total disbursements	<u>76,416</u>	<u>3,769</u>	<u>87,456</u>	<u>253</u>	<u>62,093</u>	<u>4,900</u>
Excess (deficiency) of receipts over disbursements	<u>(141)</u>	<u>(794)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 12,355</u>	<u>\$ 690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Payroll American Heritage Insurance	Payroll Aflac	Payroll Colonial Life	Payroll M & I Bank-Moore	Payroll Town Of Mooreville Wastwater Plant	Payroll Child Support
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	<u>1,483</u>	<u>10,819</u>	<u>2,726</u>	<u>1,300</u>	<u>1,100</u>	<u>15,194</u>
Total receipts	<u>1,483</u>	<u>10,819</u>	<u>2,726</u>	<u>1,300</u>	<u>1,100</u>	<u>15,194</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>1,483</u>	<u>10,819</u>	<u>2,726</u>	<u>1,300</u>	<u>1,100</u>	<u>15,194</u>
Total disbursements	<u>1,483</u>	<u>10,819</u>	<u>2,726</u>	<u>1,300</u>	<u>1,100</u>	<u>15,194</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Payroll Worksite Solutions	Payroll Payrolle-Paid Legal	Michigan Child Support	Payroll Annual Child Support Fee	Stormwater User Fees	Wastewater Operating
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 195,097	\$ 1,236,178
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	120,906	2,237,178
Other receipts	2,389	2,590	10,292	220	671	78,212
Total receipts	<u>2,389</u>	<u>2,590</u>	<u>10,292</u>	<u>220</u>	<u>121,577</u>	<u>2,315,390</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	17	4,118
Utility operating expenses	-	-	-	-	118,475	1,569,315
Other disbursements	2,389	2,590	10,292	220	-	865,036
Total disbursements	<u>2,389</u>	<u>2,590</u>	<u>10,292</u>	<u>220</u>	<u>118,492</u>	<u>2,438,469</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,085</u>	<u>(123,079)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,182</u>	<u>\$ 1,113,099</u>

TOWN OF MOORESVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Wastewater Bond & Interest	Wastewater Plant Improvement	Wastewater Development Availability	Wastewater Sewer Availability	Wastewater Federal Grant	Totals
Cash and investments - beginning	\$ -	\$ 583,505	\$ 926	\$ 264,578	\$ -	\$ 16,866,869
Receipts:						
Taxes	-	-	-	-	-	5,451,979
Licenses and permits	-	-	-	-	-	84,639
Intergovernmental	-	-	-	-	-	2,922,737
Charges for services	-	-	-	-	-	1,081,749
Fines and forfeits	-	-	-	-	-	281,132
Utility fees	-	-	-	-	-	2,358,084
Other receipts	<u>549,036</u>	<u>496,690</u>	<u>14,107</u>	<u>15,502</u>	<u>3,309,377</u>	<u>16,136,242</u>
Total receipts	<u>549,036</u>	<u>496,690</u>	<u>14,107</u>	<u>15,502</u>	<u>3,309,377</u>	<u>28,316,562</u>
Disbursements:						
Personal services	-	-	-	-	-	5,082,558
Supplies	-	-	-	-	-	451,538
Other services and charges	-	-	-	-	-	3,446,973
Debt service - principal and interest	-	-	-	-	3,309,377	8,251,472
Capital outlay	-	-	-	-	-	427,026
Utility operating expenses	-	-	-	-	-	1,687,790
Other disbursements	<u>549,036</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>6,667,200</u>
Total disbursements	<u>549,036</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>3,309,377</u>	<u>26,014,557</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>496,690</u>	<u>10,107</u>	<u>15,502</u>	<u>-</u>	<u>2,302,005</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,080,195</u>	<u>\$ 11,033</u>	<u>\$ 280,080</u>	<u>\$ -</u>	<u>\$ 19,168,874</u>

TOWN OF MOORESVILLE  
OTHER REPORT

The audit report presented herein was prepared in addition to the other official report prepared for the individual Town office listed below:

Town Court, Town of Mooresville

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

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE TOWN OF MOORESVILLE, MORGAN COUNTY, INDIANA

Compliance

We have audited the compliance of the Town of Mooresville (Town) 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, 2011. The Town'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 Town's management. Our responsibility is to express an opinion on the Town'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 Town'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 Town's compliance with those requirements.

In our opinion, the Town 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, 2011.

Internal Control Over Compliance

Management of the Town 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 Town'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 Town's internal control over compliance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD  
HAVE A DIRECT AND MATERIAL EFFECT ON 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 Town's management, Town 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

April 3, 2012

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#### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying note presented were approved by management of the Town. The schedule and notes are presented as intended by the Town.

TOWN OF MOORESVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2011

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. HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs CDBG - State Administered CDBG Cluster Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	DR2-09-090	\$ 3,309,377
Total for Federal Grantor Agency			<u>3,309,377</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Criminal Justice Institute Highway Safety Cluster Safety Belt Performance Grants	20.609	2011	<u>1,250</u>
Total for Federal Grantor Agency			<u>1,250</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Department of Environmental Management Capitalization Grants for Clean Water State Revolving Funds	66.458	WW100355 01	<u>2,065,540</u>
Total for Federal Grantor Agency			<u>2,065,540</u>
Total federal awards expended			<u>\$ 5,376,167</u>

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

TOWN OF MOORESVILLE  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

***Basis of Presentation***

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Mooresville (Town) and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. 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.

TOWN OF MOORESVILLE  
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 deficiency identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiency identified?	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
66.458	CDBG - State Administered CDBG Cluster Capitalization Grants for Clean Water State Revolving Funds

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statements Findings**

No matters are reportable.

**Section III – Federal Award Findings and Questioned Costs**

No matters are reportable.

TOWN OF MOORESVILLE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

TOWN OF MOORESVILLE  
EXIT CONFERENCE

The contents of this report were discussed on April 3, 2012, with Sandra Perry, Clerk-Treasurer. Our audit disclosed no material items that warrant comment at this time.