

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF GREENWOOD  
JOHNSON COUNTY, INDIANA

January 1, 2011 to December 31, 2011



**FILED**  
08/28/2012



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jeannine Myers	01-01-08 to 12-31-11
Controller	Stuart McKeeham (Interim) Adam Stone	01-01-12 to 03-26-12 03-27-12 to 12-31-12
Mayor	Charles E. Henderson Mark Myers	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Charles E. Henderson Mark Myers	01-01-11 to 12-31-11 01-01-12 to 12-31-12
President of the Common Council	Brent Corey Bruce Armstrong	01-01-11 to 12-31-11 01-01-12 to 12-31-12



**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

TO: THE OFFICIALS OF THE CITY OF GREENWOOD, JOHNSON COUNTY, INDIANA

We have audited the accompanying financial statement of the City of Greenwood (City), for the year ended December 31, 2011. The financial statement is the responsibility of the City'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 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 statement. 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 opinion.

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, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated July 23, 2012, 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.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

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. 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 of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, and the Schedule of Leases and Debt are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

The City's response to the Audit Results and Comments identified in our audit is described in the accompanying section of the report entitled Official Response. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management, City 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 23, 2012



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Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

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 CITY OF GREENWOOD, JOHNSON COUNTY, INDIANA

We have audited the financial statement of the City of Greenwood (City), for the year ended December 31, 2011, and have issued our report thereon dated July 23, 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 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2011-01 to be material weaknesses.

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 City's financial statement is 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.

The City's response to the findings identified in our audit is described in the accompanying section of the report entitled Official Response and Corrective Action Plan. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the City's management, City 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 23, 2012

## FINANCIAL STATEMENT

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

CITY OF GREENWOOD  
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	\$ 4,896,198	\$ 13,614,548	\$ 14,335,907	\$ 4,174,839
Motor Vehicle Highway	1,662,646	2,419,831	2,198,274	1,884,203
Local Road And Street	821,307	483,970	322,531	982,746
Aviation	53,406	963,641	930,911	86,136
Law Enforcement Continuing Ed	23,761	45,545	25,118	44,188
Clerk's Records Perpetuation	52,651	9,491	4,914	57,228
Parks And Recreation	337,780	1,239,208	999,736	577,252
Adult Probation Services	193,471	585,905	593,218	186,158
User Fee	40,895	13,044	11,917	42,022
Firefighting	149,939	6,863,346	6,414,609	598,676
Rainy Day	1,884,432	443,632	644,707	1,683,357
Levy Excess	29,249	13	29,259	3
Cumulative Capl Imprv Cigarette Tax	508,945	137,216	280,000	366,161
Cumulative Capital Development	985,400	1,008,620	1,768,347	225,673
Cumulative Capital Imprv (Tax Levy)	1,525,010	896,945	955,891	1,466,064
Impact Fee	603,371	254,113	188,311	669,173
Police/Fed Forfeiture Interest	-	14,834	-	14,834
Police Vending Machine Proceeds	-	593	-	593
Parks WammFest Ticket Sales	-	720	720	-
RDC Elona Insurance Proceeds	-	772,989	750,331	22,658
City Court	217,536	1,024,465	1,035,747	206,254
Self Insurance	58,347	3,066,023	3,231,629	(107,259)
Fire Prevention	9,124	8,213	10,120	7,217
Nonreverting (Special)	250,486	402,649	362,717	290,418
DARE	4,198	4,203	4,400	4,001
TIF #71 Eastside Surplus Cash	6,288,992	4,869,039	980,324	10,177,707
TIF #72 Fry Road Cash Acct	1,914,967	1,083,733	124,720	2,873,980
TIF #73 Eastside Debt Res/Inv	691,219	-	-	691,219
TIF #74 Airport Blvd Cash Acct	2,216	496	-	2,712
TIF #75 Eastside Alloc Cash	394,024	3,978,278	3,774,458	597,844
Grnwd Trails/Greenways	405	1	-	406
Police Seizure & Forfeiture	16,000	106	9,889	6,217
Police Equipment And Training	11,974	1,811	12,852	933
Police Pension #1	187,824	321,155	323,185	185,794
Administrative Fee	19,061	21	-	19,082
AIP 20 Grant	5,032	-	-	5,032
AIP 22	(127)	247	-	120
Alpine	51,192	53	-	51,245
Brownfield Grant	6,119	6	-	6,125
Byrne Grant 2002-Db509	3,833	5	-	3,838

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

CITY OF GREENWOOD  
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
CDS Independent Engineering	3,286	26,846	27,844	2,288
City Limits Signs	924	-	-	924
EDC Donation	5,659	167	-	5,826
Employee Christmas	218	-	-	218
Fire Dept Application Fees	164	2,501	2,334	331
Fire Safety	13,755	22,563	15,253	21,065
Fire Prevention Public Ed	4	-	4	-
Gpd Property Room	119,247	367	76	119,538
Greenwood Flags	337	40	-	377
History Book	12,916	223	-	13,139
Independent Engineering	223,444	9,666	336	232,774
Paid Insurance	32,147	69,842	61,237	40,752
Police JAG (2007-F3819-Ind)	204	1	-	205
Police Lab Fees	6,980	258	-	7,238
Restitution	68,358	71	-	68,429
Restricted Donation	42	6,380	2,754	3,668
Sidewalk	55,809	59	-	55,868
Eastside Alloc Cabela's	4,620	3,514	-	8,134
Tracy Ditch	79,245	13,284	-	92,529
Tracy Trails	48	-	-	48
VIN	76	-	76	-
Child Car Seat	1,672	1,175	1,151	1,696
AIP 24	40,517	82,873	123,183	207
Debt Service - Fire Building Lease	651	1,054,514	778,000	277,165
Debt Service - Fire Equipment	85,766	166,713	170,244	82,235
Debt Service - 2005 Park Bonds	80,063	145,158	151,964	73,257
Park Bond Proceeds	28,163	-	2,375	25,788
SNR Worthsville Rd Cap Imp	1,115	2	-	1,117
2008 Go Bonds	188,579	191	-	188,770
Payroll	168,588	13,958,014	13,968,125	158,477
Trash Utility-Operating	894,717	2,019,588	2,370,166	544,139
Wastewater Utility-Operating	1,264,392	10,062,341	9,545,159	1,781,574
Wastewater Util-Bond And Interest	302,761	1,395,000	1,323,917	373,844
Bond Proceeds	694,102	-	694,102	-
Availability Fees	1,541,550	661,270	609,934	1,592,886
Wastewater Utility-Debt Reserve	860,761	129,483	-	990,244
Utilities Fund - First Indiana	7,032	-	7,032	-
Totals	<u>\$ 30,688,795</u>	<u>\$ 74,360,812</u>	<u>\$ 70,180,008</u>	<u>\$ 34,869,599</u>

CITY OF GREENWOOD  
NOTES TO FINANCIAL STATEMENT

**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 presents the financial information for the City.

*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 include 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.

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,

CITY OF GREENWOOD  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

Penalties which include fees received for late payments.

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 include 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.

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

CITY OF GREENWOOD  
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 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 GREENWOOD  
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 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 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 City 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 Indiana Public Retirement System (INPRS) 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.

INPRS 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:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

CITY OF GREENWOOD  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Funding Policy and Annual Pension Cost*

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

*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 Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

*C. 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 Retirement System (INPRS) 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.

INPRS 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:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy*

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

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City'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 City 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 approved by management of the City. It is presented as intended by the City.

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

	General	Motor Vehicle Highway	Local Road And Street	Aviation	Law Enforcement Continuing Ed	Clerk's Records Perpetuation
Cash and investments - beginning	\$ 4,896,198	\$ 1,662,646	\$ 821,307	\$ 53,406	\$ 23,761	\$ 52,651
Receipts:						
Taxes	4,930,049	1,051,614	-	-	-	-
Licenses and permits	112,477	-	-	-	-	-
Intergovernmental	5,277,483	1,309,895	474,532	-	-	-
Charges for services	276,630	13,042	-	748,332	-	-
Fines and forfeits	454,395	-	-	811	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	2,563,514	45,280	9,438	214,498	45,545	9,491
Total receipts	<u>13,614,548</u>	<u>2,419,831</u>	<u>483,970</u>	<u>963,641</u>	<u>45,545</u>	<u>9,491</u>
Disbursements:						
Personal services	11,126,931	1,196,224	-	5,414	-	4,914
Supplies	350,864	408,194	169,942	404,564	-	-
Other services and charges	1,638,885	17,426	136,919	483,297	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	818,424	576,330	15,670	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	400,803	100	-	37,636	25,118	-
Total disbursements	<u>14,335,907</u>	<u>2,198,274</u>	<u>322,531</u>	<u>930,911</u>	<u>25,118</u>	<u>4,914</u>
Excess (deficiency) of receipts over disbursements	<u>(721,359)</u>	<u>221,557</u>	<u>161,439</u>	<u>32,730</u>	<u>20,427</u>	<u>4,577</u>
Cash and investments - ending	<u>\$ 4,174,839</u>	<u>\$ 1,884,203</u>	<u>\$ 982,746</u>	<u>\$ 86,136</u>	<u>\$ 44,188</u>	<u>\$ 57,228</u>

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

	Parks And Recreation	Adult Probation Services	User Fee	Firefighting	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 337,780	\$ 193,471	\$ 40,895	\$ 149,939	\$ 1,884,432	\$ 29,249
Receipts:						
Taxes	815,059	-	-	4,269,140	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	70,002	-	-	400,454	-	-
Charges for services	351,023	491,746	-	12,000	-	-
Fines and forfeits	-	2,500	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	3,124	91,659	13,044	2,181,752	443,632	13
Total receipts	<u>1,239,208</u>	<u>585,905</u>	<u>13,044</u>	<u>6,863,346</u>	<u>443,632</u>	<u>13</u>
Disbursements:						
Personal services	443,434	461,671	-	3,527,069	29,582	-
Supplies	100,849	34,695	-	170,727	-	-
Other services and charges	204,191	96,040	-	347,002	60,278	-
Debt service - principal and interest	-	-	-	1,799,002	-	-
Capital outlay	248,972	180	-	220,709	4,847	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,290	632	11,917	350,100	550,000	29,259
Total disbursements	<u>999,736</u>	<u>593,218</u>	<u>11,917</u>	<u>6,414,609</u>	<u>644,707</u>	<u>29,259</u>
Excess (deficiency) of receipts over disbursements	<u>239,472</u>	<u>(7,313)</u>	<u>1,127</u>	<u>448,737</u>	<u>(201,075)</u>	<u>(29,246)</u>
Cash and investments - ending	<u>\$ 577,252</u>	<u>\$ 186,158</u>	<u>\$ 42,022</u>	<u>\$ 598,676</u>	<u>\$ 1,683,357</u>	<u>\$ 3</u>

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

	Cumulative Capl Imprv Cigarette Tax	Cumulative Capital Development	Cumulative Capital Imprv (Tax Levy)	Impact Fee	Police/Fed Forfeiture Interest	Police Vending Machine Proceeds
Cash and investments - beginning	\$ 508,945	\$ 985,400	\$ 1,525,010	\$ 603,371	\$ -	\$ -
Receipts:						
Taxes	-	928,313	824,341	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	136,756	79,729	70,799	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	219,324	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	460	578	1,805	34,789	14,834	593
Total receipts	<u>137,216</u>	<u>1,008,620</u>	<u>896,945</u>	<u>254,113</u>	<u>14,834</u>	<u>593</u>
Disbursements:						
Personal services	-	494,667	-	-	-	-
Supplies	-	-	7,446	-	-	-
Other services and charges	-	-	217,259	80,086	-	-
Debt service - principal and interest	-	365,004	-	-	-	-
Capital outlay	280,000	908,676	731,186	108,225	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>280,000</u>	<u>1,768,347</u>	<u>955,891</u>	<u>188,311</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(142,784)</u>	<u>(759,727)</u>	<u>(58,946)</u>	<u>65,802</u>	<u>14,834</u>	<u>593</u>
Cash and investments - ending	<u>\$ 366,161</u>	<u>\$ 225,673</u>	<u>\$ 1,466,064</u>	<u>\$ 669,173</u>	<u>\$ 14,834</u>	<u>\$ 593</u>

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

	Parks WammFest Ticket Sales	RDC Elona Insurance Proceeds	City Court	Self Insurance	Fire Prevention	Nonreverting (Special)
Cash and investments - beginning	\$ -	\$ -	\$ 217,536	\$ 58,347	\$ 9,124	\$ 250,486
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	400,647
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	720	772,989	1,024,465	3,066,023	8,213	2,002
Total receipts	<u>720</u>	<u>772,989</u>	<u>1,024,465</u>	<u>3,066,023</u>	<u>8,213</u>	<u>402,649</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	5,804
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	720	750,331	1,035,747	3,231,629	10,120	356,913
Total disbursements	<u>720</u>	<u>750,331</u>	<u>1,035,747</u>	<u>3,231,629</u>	<u>10,120</u>	<u>362,717</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>22,658</u>	<u>(11,282)</u>	<u>(165,606)</u>	<u>(1,907)</u>	<u>39,932</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 22,658</u>	<u>\$ 206,254</u>	<u>\$ (107,259)</u>	<u>\$ 7,217</u>	<u>\$ 290,418</u>

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

	DARE	TIF #71 Eastside Surplus Cash	TIF #72 Fry Road Cash Acct	TIF #73 Eastside Debt Res/Inv	TIF #74 Airport Blvd Cash Acct	TIF #75 Eastside Alloc Cash
Cash and investments - beginning	\$ 4,198	\$ 6,288,992	\$ 1,914,967	\$ 691,219	\$ 2,216	\$ 394,024
Receipts:						
Taxes	-	2,075,348	1,002,601	-	493	3,978,259
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	4,203	2,793,691	81,132	-	3	19
Total receipts	<u>4,203</u>	<u>4,869,039</u>	<u>1,083,733</u>	<u>-</u>	<u>496</u>	<u>3,978,278</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	730,709	63,286	-	-	-
Debt service - principal and interest	-	-	-	-	-	988,698
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	4,400	249,615	61,434	-	-	2,785,760
Total disbursements	<u>4,400</u>	<u>980,324</u>	<u>124,720</u>	<u>-</u>	<u>-</u>	<u>3,774,458</u>
Excess (deficiency) of receipts over disbursements	<u>(197)</u>	<u>3,888,715</u>	<u>959,013</u>	<u>-</u>	<u>496</u>	<u>203,820</u>
Cash and investments - ending	<u>\$ 4,001</u>	<u>\$ 10,177,707</u>	<u>\$ 2,873,980</u>	<u>\$ 691,219</u>	<u>\$ 2,712</u>	<u>\$ 597,844</u>

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

	Grnwd Trails/Greenways	Police Seizure & Forfeiture	Police Equipment And Training	Police Pension #1	Administrative Fee	AIP 20 Grant
Cash and investments - beginning	\$ 405	\$ 16,000	\$ 11,974	\$ 187,824	\$ 19,061	\$ 5,032
Receipts:						
Taxes	-	-	-	320,997	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1	106	1,811	158	21	-
Total receipts	<u>1</u>	<u>106</u>	<u>1,811</u>	<u>321,155</u>	<u>21</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	323,185	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	9,889	12,852	-	-	-
Total disbursements	<u>-</u>	<u>9,889</u>	<u>12,852</u>	<u>323,185</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>1</u>	<u>(9,783)</u>	<u>(11,041)</u>	<u>(2,030)</u>	<u>21</u>	<u>-</u>
Cash and investments - ending	<u>\$ 406</u>	<u>\$ 6,217</u>	<u>\$ 933</u>	<u>\$ 185,794</u>	<u>\$ 19,082</u>	<u>\$ 5,032</u>

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

	AIP 22	Alpine	Brownfield Grant	Byrne Grant 2002-Db509	CDS Independent Engineering	City Limits Signs
Cash and investments - beginning	\$ (127)	\$ 51,192	\$ 6,119	\$ 3,833	\$ 3,286	\$ 924
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	247	53	6	5	26,846	-
Total receipts	<u>247</u>	<u>53</u>	<u>6</u>	<u>5</u>	<u>26,846</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	27,844	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,844</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>247</u>	<u>53</u>	<u>6</u>	<u>5</u>	<u>(998)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 120</u>	<u>\$ 51,245</u>	<u>\$ 6,125</u>	<u>\$ 3,838</u>	<u>\$ 2,288</u>	<u>\$ 924</u>

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

	EDC Donation	Employee Christmas	Fire Dept Application Fees	Fire Safety	Fire Prevention Public Ed	Gpd Property Room
Cash and investments - beginning	\$ 5,659	\$ 218	\$ 164	\$ 13,755	\$ 4	\$ 119,247
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	167	-	2,501	22,563	-	367
Total receipts	167	-	2,501	22,563	-	367
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	2,334	15,253	4	76
Total disbursements	-	-	2,334	15,253	4	76
Excess (deficiency) of receipts over disbursements	167	-	167	7,310	(4)	291
Cash and investments - ending	\$ 5,826	\$ 218	\$ 331	\$ 21,065	\$ -	\$ 119,538

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

	Greenwood Flags	History Book	Independent Engineering	Paid Insurance	Police JAG (2007-F3819-Ind)	Police Lab Fees
Cash and investments - beginning	\$ 337	\$ 12,916	\$ 223,444	\$ 32,147	\$ 204	\$ 6,980
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	40	223	9,666	69,842	1	258
Total receipts	<u>40</u>	<u>223</u>	<u>9,666</u>	<u>69,842</u>	<u>1</u>	<u>258</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	336	61,237	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>336</u>	<u>61,237</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>40</u>	<u>223</u>	<u>9,330</u>	<u>8,605</u>	<u>1</u>	<u>258</u>
Cash and investments - ending	<u>\$ 377</u>	<u>\$ 13,139</u>	<u>\$ 232,774</u>	<u>\$ 40,752</u>	<u>\$ 205</u>	<u>\$ 7,238</u>

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

	Restitution	Restricted Donation	Sidewalk	Eastside Alloc Cabela's	Tracy Ditch	Tracy Trails
Cash and investments - beginning	\$ 68,358	\$ 42	\$ 55,809	\$ 4,620	\$ 79,245	\$ 48
Receipts:						
Taxes	-	-	-	3,507	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	3,591	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	71	2,789	59	7	13,284	-
Total receipts	<u>71</u>	<u>6,380</u>	<u>59</u>	<u>3,514</u>	<u>13,284</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	2,754	-	-	-	-
Total disbursements	<u>-</u>	<u>2,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>71</u>	<u>3,626</u>	<u>59</u>	<u>3,514</u>	<u>13,284</u>	<u>-</u>
Cash and investments - ending	<u>\$ 68,429</u>	<u>\$ 3,668</u>	<u>\$ 55,868</u>	<u>\$ 8,134</u>	<u>\$ 92,529</u>	<u>\$ 48</u>

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

	VIN	Child Car Seat	AIP 24	Debt Service - Fire Building Lease	Debt Service - Fire Equipment	Debt Service - 2005 Park Bonds
Cash and investments - beginning	\$ 76	\$ 1,672	\$ 40,517	\$ 651	\$ 85,766	\$ 80,063
Receipts:						
Taxes	-	-	-	971,015	152,416	133,677
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	83,396	14,297	11,481
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	1,175	82,873	103	-	-
Total receipts	-	1,175	82,873	1,054,514	166,713	145,158
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	735,000	170,244	151,964
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	76	1,151	123,183	43,000	-	-
Total disbursements	76	1,151	123,183	778,000	170,244	151,964
Excess (deficiency) of receipts over disbursements	(76)	24	(40,310)	276,514	(3,531)	(6,806)
Cash and investments - ending	\$ -	\$ 1,696	\$ 207	\$ 277,165	\$ 82,235	\$ 73,257

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

	Park Bond Proceeds	SNR Worthsville Rd Cap Imp	2008 Go Bonds	Payroll	Trash Utility-Operating	Wastewater Utility-Operating
Cash and investments - beginning	\$ 28,163	\$ 1,115	\$ 188,579	\$ 168,588	\$ 894,717	\$ 1,264,392
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	2,019,184	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	8,483,127
Penalties	-	-	-	-	-	146,381
Other receipts	-	2	191	13,958,014	404	1,432,833
Total receipts	-	2	191	13,958,014	2,019,588	10,062,341
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,350	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,042
Utility operating expenses	-	-	-	-	-	6,002,344
Other disbursements	25	-	-	13,968,125	2,370,166	3,541,773
Total disbursements	2,375	-	-	13,968,125	2,370,166	9,545,159
Excess (deficiency) of receipts over disbursements	(2,375)	2	191	(10,111)	(350,578)	517,182
Cash and investments - ending	\$ 25,788	\$ 1,117	\$ 188,770	\$ 158,477	\$ 544,139	\$ 1,781,574

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

	Wastewater Util-Bond And Interest	Bond Proceeds	Availability Fees	Wastewater Utility-Debt Reserve	Utilities Fund - First Indiana	Totals
Cash and investments - beginning	\$ 302,761	\$ 694,102	\$ 1,541,550	\$ 860,761	\$ 7,032	\$ 30,688,795
Receipts:						
Taxes	-	-	-	-	-	21,456,829
Licenses and permits	-	-	-	-	-	112,477
Intergovernmental	-	-	-	-	-	7,928,824
Charges for services	-	-	-	-	-	4,312,604
Fines and forfeits	-	-	-	-	-	680,621
Utility fees	-	-	661,202	-	-	9,144,329
Penalties	-	-	-	-	-	146,381
Other receipts	1,395,000	-	68	129,483	-	30,578,747
Total receipts	1,395,000	-	661,270	129,483	-	74,360,812
Disbursements:						
Personal services	-	-	-	-	-	17,613,091
Supplies	-	-	-	-	-	1,647,281
Other services and charges	-	-	-	-	-	4,083,532
Debt service - principal and interest	1,323,917	-	-	-	-	5,533,829
Capital outlay	-	-	-	-	-	3,914,261
Utility operating expenses	-	-	-	-	-	6,002,344
Other disbursements	-	694,102	609,934	-	7,032	31,385,670
Total disbursements	1,323,917	694,102	609,934	-	7,032	70,180,008
Excess (deficiency) of receipts over disbursements	71,083	(694,102)	51,336	129,483	(7,032)	4,180,804
Cash and investments - ending	\$ 373,844	\$ -	\$ 1,592,886	\$ 990,244	\$ -	\$ 34,869,599

CITY OF GREENWOOD  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ -	\$ 155,476
Trash	120,114	217,871
Wastewater	1,135,975	593,507
Utilities	<u>6,321</u>	<u>-</u>
Totals	<u>\$ 1,262,410</u>	<u>\$ 966,854</u>

CITY OF GREENWOOD  
SCHEDULE OF LEASES AND DEBT  
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
First Source	3 2010 Sgl Axle Dump Trucks	\$ 73,776	01-11-09	09-15-14
OshKosh	Pierce 2010 Triple Combo Pumper Fire Truck	70,271	08-24-09	08-26-19
Stark	F350 Cab and Chassis	5,699	10-08-08	11-01-13
Stark	2009 Ford F150 Crew Cab XLT - VIN 238	6,751	03-17-09	04-01-14
Stark	2009 Ford F150 Crew Cab XLT - VIN 237	6,751	03-17-09	04-01-14
Stark	2009 Chevy Tahoe	6,649	03-24-09	04-01-14
Stark	2009 Chevy Traverse AWD	6,340	02-25-09	03-01-14
Suntrust/Public-Finance.com	11 Crown Vics and 2 Harley Davidsons	43,575	01-15-11	07-15-14
Suntrust/Public-Finance.com	10 police cruisers 1 emergency response vehicle	<u>12,400</u>	09-01-08	09-01-14
Total governmental activities		<u>232,212</u>		
Total of annual lease payments		<u>\$ 232,212</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	General Obligation Bonds of 2008	\$ 2,380,000	\$ 369,045
General obligation bonds	General Obligation Bonds of 2006	830,000	174,350
General obligation bonds	Park District Bonds of 2005	1,525,000	153,464
General obligation bonds	Unrefunded Portion of 1990 Bonds	68,897	735,000
Revenue bonds	Aviation Loan of 2003	760,870	70,307
Revenue bonds	Greenwood Airport Revenue Bonds - Certificates of Participation Series 1999	460,000	80,400
Revenue bonds	Qualified Midwestern Diaster Area Bonds Series 2010	6,240,000	679,806
Revenue bonds	Tax Increment Bonds of 2005	<u>2,130,000</u>	<u>514,080</u>
Total governmental activities		<u>14,394,767</u>	<u>2,776,452</u>
Wastewater:			
Revenue bonds	Sewage Works Refunding Revenue Bonds of 2010 Series A	11,940,000	1,362,620
Revenue bonds	Sewage Works Revenue Bonds of 2010 Series B	2,655,000	122,794
Revenue bonds	Sewage Contract	<u>18,850,000</u>	<u>754,000</u>
Total Wastewater		<u>33,445,000</u>	<u>2,239,414</u>
Totals		<u>\$ 47,839,767</u>	<u>\$ 5,015,866</u>

CITY OF GREENWOOD  
OTHER REPORT

The annual audit report presented herein was prepared in addition to an official report prepared for the individual City office listed below:

City Court

CITY OF GREENWOOD  
AUDIT RESULTS AND COMMENTS

***INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING***

We noted a deficiency in the internal control system of the City of Greenwood related to financial transactions and reporting. We believe the following deficiency constitutes a material weakness:

Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's financial statement and then determining how those identified risks should be managed. The City has not identified risks to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.

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

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

***ANNUAL REPORT***

The City's Annual Report was filed in a timely manner; however, it was not reflective of the actual receipts and disbursements as recorded in the unit's ledger. The City contracts with a private CPA firm to prepare their annual report. The City does not have controls in place to verify that the amounts reported in the Annual Report reflect the activity of the City.

The City Court reports their fund activity to the private CPA firm, so City Court fund activity can be included in the Annual Report. The City Court was unable to support the numbers reported. Audit adjustments were made to the Annual Report to accurately report the activity of the City Court for the 2011 audit year.

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

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

***REPAYMENTS AND TRANSFERS***

As previously reported in audit reports of the City, the City collects a late payment fee authorized by Indiana Code 33-37-5-22 (IC 33-19-6-20 prior to its repeal in 2004). The total fees for the year ended December 31, 2003, amounting to \$26,997, were deposited to the General Fund as authorized by Indiana Code 33-37-7-8 (IC 33-19-7-4 prior to its repeal in 2004). On December 5, 2003, \$20,000 of that amount was

CITY OF GREENWOOD  
AUDIT RESULTS AND COMMENTS  
(Continued)

transferred to the Adult Probation Fund. On November 17, 2003, an ordinance was established to authorize a transfer of monies from one major budget classification in a department to another major classification. The ordinance specified that \$20,000 be transferred from the General Fund to Post Conviction Services Department (Adult Probation Services Fund). The transfer was made between two different funds and not within a department or major budget classification as stated in the ordinance. No authorization exists to transfer monies between funds. We recommended a reimbursement be made from the Adult Probation Services Fund to the General Fund in the amount of \$20,000. As of the date of this report, no reimbursement has been made.

Indiana Code 36-1-8-4 concerning temporary transfer, states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . .

(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the department of local government finance."

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

**TEMPORARY TRANSFER OF FUNDS**

As reported in previous audit reports of the City, a temporary loan of \$250,000 was made in 1998 from the Cumulative Capital Improvement Tax Levy Fund to the Fire Fund. As of the date of this report, that loan has not been repaid. A second loan was made on June 13, 2003, from the Cumulative Capital Improvement Tax Levy Fund to the Fire Fund in the amount of \$500,000 per Resolution 03-16. Although the Resolution states that the loan is to be repaid by December 31, 2003, as of the date of this report, this loan is still outstanding.

Indiana Code 36-1-8-4 concerning temporary transfer, states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . .

(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the department of local government finance."

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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 CITY OF GREENWOOD, JOHNSON COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Greenwood (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, 2011. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2011-02.

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 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)

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there is no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2011-02 to be material weaknesses.

The City's response to the findings identified in our audit is described in the accompanying Official Response and Corrective Action Plan. We did not audit the City's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the City's management, City 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 23, 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 City. The schedule and note are presented as intended by the City.

CITY OF GREENWOOD  
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. DEPARTMENT OF JUSTICE</u>			
Pass-Through Indiana Criminal Justice Institute			
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	16.738		
EDS D3-11-5966		None	\$ 12,627
09-DJ-040		None	50,506
2011-DJ-BX-2596		None	<u>34,418</u>
Total for cluster			<u>97,551</u>
Bulletproof Vest Partnership Program	16.607		
Bullet Proof Vest Partnership		None	<u>7,143</u>
Total for federal grantor agency			<u>104,694</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		
EDS #A249-8-320029-(Fry Road)		None	78,906
EDS #A249-11-320364A (Tracy Trails Phase IV)		None	<u>34,129</u>
Total for program			<u>113,035</u>
ARRA - Recreational Trails Program	20.219		
EDS #A249-10-320 DES #0500819 (Tracy Trails Bridge)		None	<u>11,177</u>
Total for cluster			<u>124,212</u>
Pass-Through Johnson County Treasurer			
Highway Safety Cluster			
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601		
K8-2010-03-03-15 (DUI Blitz)		None	6,941
K8-2011-03-03-15 (DUI Blitz)		None	18,225
K8-2011-03-03-16 (Red Light)		None	5,814
PT9-0401041 (BCC-2010)		None	3,801
PT9-0401041 (BCC-2011)		None	<u>9,416</u>
Total for cluster			<u>44,197</u>
Direct Grant			
Airport Improvement Program	20.106		
AIP-24		None	<u>82,540</u>
Total for federal grantor agency			<u>250,949</u>
<u>U.S. DEPARTMENT OF ENERGY</u>			
Direct Grant			
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128		
		None	<u>184,543</u>
Total for federal grantor agency			<u>184,543</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Pass-Through Indiana Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		
FEMA		None	<u>17,837</u>
Total for federal grantor agency			<u>17,837</u>
Total federal awards expended			<u>\$ 558,023</u>

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

CITY OF GREENWOOD  
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 City of Greenwood 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.

CITY OF GREENWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Section I – Summary of Auditor's Results**

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiency identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
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?	yes

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
81.128	Highway Planning and Construction Cluster Energy Efficiency and Conservation Block Grant

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

**FINDING 2011-01 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

We noted a deficiency in the internal control system of the City of Greenwood related to financial transactions and reporting. We believe the following deficiency constitutes a material weakness:

Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's financial statement and then determining how those identified risks should be managed. The City has not identified risks to the preparation of reliable financial statement and as a result has failed to design effective controls over the preparation of the financial statement to prevent or detect material misstatements, including notes to the financial statement.

CITY OF GREENWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

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

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

The failure to establish internal controls could enable material misstatements to go undetected.

We recommended that the City's management established controls related to the achievement of financial reporting objectives.

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

**FINDING 2011-02 - CASH MANAGEMENT**

Federal Agency: U.S. DEPARTMENT OF ENERGY  
Federal Program: ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM  
CFDA Number: 81.128  
Federal Award Number and Year (or Other Identifying Number): DE-EE0002188

City Officials are required to review their needs and draw funds, as needed, in accordance with federal guidelines. A single cash drawdown request was done for the full sum of the grant amount. The funds were on hand up to nine months prior to the disbursement of the federal funds.

Internal controls were not in place to ensure that drawdowns were only requested as funds were needed and that the disbursements are paid promptly upon receipt of the grant funds.

OMB Circular A-133, Subpart C, section .300 (b) states:

"The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

10 CFR 600.220 (b)(7) states in part:

"Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees."

CITY OF GREENWOOD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(Continued)

Surplus cash indicates noncompliance with the cash management requirement set forth in the grant agreement. Additionally, failure to minimize the time between the drawdown and the payment of the disbursement may cause future funding to be reduced by the federal agency.

We recommended that City Officials develop and implement procedures and controls to ensure that the time between the receipt and disbursement of federal funds is minimized according to the grant requirements.



Finance Office  
Adam Stone - Controller

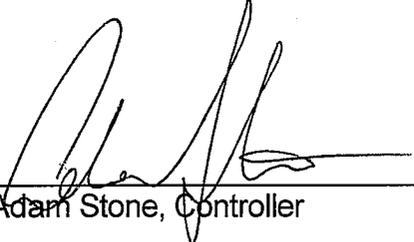
City of Greenwood  
Summary Schedule of Prior Audit Finding

Finding No. 2010-1, Cash Management

Federal Agency: U.S. Department of Transportation  
Federal Program: Airport Improvement Program  
CFDA Number: 20.106  
Auditee Contact Person: Adam Stone  
Title of Contact Person: Controller

Summary:

Each AIP has a spreadsheet to record invoices, payments and grant monies received. Invoices for each grant are paid upon receipt of grant monies. E-mail notifications from the FAA are received when monies are deposited into our bank account.

  
\_\_\_\_\_  
Adam Stone, Controller

6/28/2012  
\_\_\_\_\_  
Date

Two North Madison Avenue, Greenwood, Indiana 46142  
Telephone (317) 887-5288 – Fax (317) 865-8236  
[www.cityofgreenwood.in.gov](http://www.cityofgreenwood.in.gov)



FINANCE OFFICE

Adam Stone  
Controller

Phone: 317-887-5233  
Fax: 317-865-8236

City of Greenwood Corrective Action Plan

Federal Finding 2011-01, Internal Controls over Financial Transactions and Reporting

The City hired a Controller in March 2012. Beginning in 2013, the City's Annual Report will be prepared by the Controller's Office and reviewed for accuracy prior to submission. The Controller's Office has implemented, and will continue to implement, procedures for the identification and analysis of the risks of material misstatements to the City's financial statements and management of any potential risks.

Federal Finding 2011-02 Cash Management

Federal Agency: U.S. Department of Energy  
Federal Program: Energy Efficiency and Conservation Block Grant Program  
CFDA Number: 81.128  
Federal Award Number and Year: DE-EE0002188

RESPONSES TO STATE BOARD OF ACCOUNTS FINDINGS – DOE GRANT DE-  
EE0002188  
FEDERAL FINDING 2011 – CASH MANAGEMENT

Response No. 1: Only One Drawdown Processed

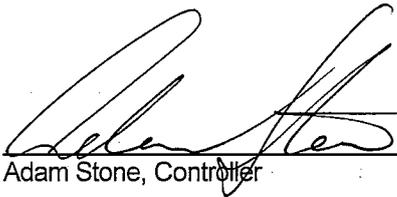
The finding by the Indiana State Board of Accounts that only one drawdown for the full sum of the grant was processed by the City of Greenwood is correct, however, the single draw down was done at the request of the Department of Energy (DOE).

The one-time drawdown was in compliance with instructions from DOE representatives because of the relatively small amount of the grant (\$ 193,900.00). According to the City's records, the DOE requested that all grant recipients receiving less than \$250,000 do a one-time only event to drawdown funds in order to help the DOE more efficiently manage its nationwide grant program.

Response No. 2: Timing between Receipt and Disbursement of Grant Funds

The City made a good faith effort to hire a consultant, prepare bid specifications, let public bids, select a contractor, and complete the installation of the new LED traffic signals in a timely manner. Grant funds were released by DOE and received by the City on May 20, 2010. The Greenwood Board of Public Works & Safety had already approved selection of the consultant at its public meeting on March 4, 2010. Contract negotiations took a little longer than expected, but the consulting services contract was signed on July 6, 2010. Bid documents were prepared, reviewed, approved, and then advertised. Bids were let on October 18 and contract awarded on October 21, 2010.

The contractor commenced work the first week of November 2010. Installation of the new LED traffic signals was substantially completed in late January, 2011. Final inspection of minor "punch list" work was completed by March 29, 2011. The grant close-out package was submitted by the City on April 15, 2011 and subsequently approved by DOE. The project was completed on time and approximately one year ahead the deadline established for the grant program. The time interval between receipt and disbursement of the grant funds by the City was a direct result of the instructions received from the DOE regarding its preference for a one-time drawdown and was not due to any deliberate action or delay by the City.



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Adam Stone, Controller

7-31-12

---

Date

CITY OF GREENWOOD  
EXIT CONFERENCE

The contents of this report were discussed on July 23, 2012, with Adam Stone, Controller; Mark Myers, Mayor; Krista Taggart, City Attorney; and Kathie Fritz, Deputy Controller. The contents of this report were discussed on July 31, 2012 with Jeannine Myers, former Clerk-Treasurer. The Official Response has been made a part of this report and may be found on page 49.

AUDIT RESULTS AND COMMENTS

Internal Controls over Financial Transactions and Reporting

The City hired a Controller in March 2012. The City has since taken steps to provide reasonable assurance regarding the reliability of financial information and records. It will continue to review our internal controls to prevent or detect material misstatements, including notes to the financial statements. These policies shall include segregation of duties and safeguarding controls over cash and other assets.

Annual Report

Beginning in 2013, the City's Annual Report will be prepared by the Controller's Office and reviewed for accuracy prior to submission. The Controller's Office is prepared to offer assistance to the City Court to aid in its preparation of figures for the annual report and its reconciliation process.

Repayments and Transfers

The Controller shall work with Corporation Counsel to prepare and submit to the Common Council ordinances to correct the documentation of the transfer of funds from the General Fund to the Post Conviction Services Department so that it is properly reflected as a permanent transfer between funds.

Temporary Transfer of Funds

The Controller shall work with Corporation Counsel to prepare and submit to the Common Council ordinances to correct the documentation of the transfer of funds from the Cumulative Capital Improvement Tax Levy Fund to the Fire Fund so that it is properly reflected as a permanent transfer between funds.



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Adam Stone, Controller

7-31-12

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Date