

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF JEFFERSONVILLE

CLARK COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
09/14/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-4
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	5-6
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	8-9
Notes to Financial Statement	10-15
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	18-32
Schedule of Payables and Receivables	33
Schedule of Leases and Debt	34
Schedule of Capital Assets.....	35
Other Report	36
Supplemental Audit of Federal Awards:	
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	38-39
Schedule of Expenditures of Federal Awards	42-43
Notes to Schedule of Expenditures of Federal Awards.....	44
Schedule of Findings and Questioned Costs	45
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	46
Exit Conference.....	47

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Peggy Wilder	01-01-08 to 12-31-11
Controller	Monica L. Harmon	01-01-12 to 12-31-12
Mayor	Thomas R. Galligan Mike Moore	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Thomas R. Galligan Mike Moore	01-01-08 to 12-31-11 01-01-12 to 12-31-15
President of the Common Council	Mike Smith Edward Zastawney	01-01-11 to 12-31-11 01-01-12 to 12-31-12
Superintendent of Wastewater Utility	Len Ashack	01-01-11 to 12-31-12
Utility Office Manager	Bruce Wright Rick Stephenson	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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statement of the City of Jeffersonville (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 this 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.

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 August 15, 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.

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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, Schedule of Leases and Debt, and Schedule of Capital Assets 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.

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

STATE BOARD OF ACCOUNTS

August 15, 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
Fax: (317) 232-4711
Web Site: 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 JEFFERSONVILLE, CLARK COUNTY, INDIANA

We have audited the financial statement of the City of Jeffersonville (City), for the year ended December 31, 2011, and have issued our report thereon dated August 15, 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected and corrected on a timely basis.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF 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.

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

STATE BOARD OF ACCOUNTS

August 15, 2012

FINANCIAL STATEMENT

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

CITY OF JEFFERSONVILLE
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	\$ 1,976,802	\$ 22,210,108	\$ 22,394,008	\$ 1,792,902
MOTOR VEHICLE HIGHWAY	31,589	956,983	758,703	229,869
LOCAL ROAD & STREET	159,393	394,803	340,217	213,979
P & R BOARD N/R AQUATIC	69,176	281,287	349,906	557
ANIMAL SHEL. SPAY/NEU PRO	64,141	34,456	37,949	60,648
SANITATION	834,735	2,591,580	2,001,075	1,425,240
LAW ENFORCEMENT CONT. ED.	13,780	40,771	40,071	14,480
CLERKS RECORD PERPETUAT	938	1,558	-	2,496
UNSAFE BLDG/DEMOLITION NR	81,084	58,508	41,087	98,505
SHARE OF GAMING REVENUES	621,935	176,666	448,692	349,909
PARK & RECREATION	1,649,618	1,821,213	1,912,095	1,558,736
RAINY DAY FUND	4,658,364	-	-	4,658,364
ECONOMIC DEV INCOME TAX	1,419,849	1,716,105	1,661,532	1,474,422
MAJOR MOVES	101,764	6,000	100,977	6,787
CERTIFIED TECHNOLOGY	876,144	842,179	614,351	1,103,972
PROBATION USER FUND	76,709	145,120	217,990	3,839
CUM. CAPITAL DEVELOPMENT	467,941	171,520	146,503	492,958
REDEVELOPMENT	-	153,066	153,066	-
CUM. CAPITAL IMPROVEMENT	211,737	78,577	-	290,314
NON-REVERTING HEALTH INS.	175,872	5,865,570	5,759,647	281,795
POLICE PENSION	577,192	797,655	883,495	491,352
FIRE PENSION	468,412	1,354,478	1,175,191	647,699
CITY COURT NON REVERTING	216,726	68,404	38,061	247,069
PUBLIC SAFETY - LOIT	1,425,638	1,901,367	1,325,752	2,001,253
REDEVELOPMENT CASI	526,522	165,515	248,646	443,391
REDEVELOPMENT GRANTS	114,433	52,656	126,699	40,390
REDEV REVOLVING LOAN	204,991	71,205	60,185	216,011
REDEVELOPMENT OPERATING	982,468	2,575,376	2,719,182	838,662
REDEV CITY HALL BOND	299,500	-	-	299,500
REDEV VETERAN PKWY BOND	1,007,534	2,640	188,673	821,501
REDEV VETERAN PKWY RETAI	129,508	261	-	129,769
STREET DEPT NON-REVERT	5,733	73,901	9,780	69,854
INDOT AND JEFF CITY	55,191	-	-	55,191
FIRE DEPARTMENT NON-REVERTING	527	13,688	14,208	7
FIRE DEPARTMENT GRANT	200,933	126,699	327,632	-
YOUTH FOOTBALL LEAGUE	787	52,772	40,380	13,179
JAG RECOVERY ACT GRANT	-	62,838	62,838	-
ANIMAL BLDG & CAP IMP.N/R	181	-	-	181
MAYOR'S NON-REVERTING	52	-	-	52
JEFF RIVERFR PARK N/R	24,415	33,300	22,670	35,045
PARK SPEC. NON-REVERTING	52,048	233,397	163,514	121,931
CITY ENGINEER NON-REV.	41,036	-	197	40,839
DUFFY'S LANDING DOCKS	17	-	-	17
PARTNERSHIP PROGRAM FUND	680	27,600	20,898	7,382
CASH CHANGE	660	-	-	660
PETTY CASH	810	143	-	953
NARCOTICS SURV. GRANT	(144)	144	-	-
PARK TROLLEY OPS NON-REV	44,303	9,410	25,745	27,968
JUVENILE JUSTICE GRANT	6,151	24,000	30,151	-
JUSTICE ASSISTANCE GRANT	76	-	-	76
JAG GRANT 2010	-	30,959	28,959	2,000
RIVERSTAGE	-	200,000	142,520	57,480
ANNEXATION	29,849	-	29,849	-

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

CITY OF JEFFERSONVILLE
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
VEHICLE MAIN FUEL & REP	-	37,867	38,273	(406)
JEFF PARK AND RIDE	(76,316)	76,316	-	-
DONATIONS	164,098	65,216	78,002	151,312
BEAUTIFICATION NON/REV	7,430	25,795	25,614	7,611
THUNDER COMMITTEE NON-REV	25,345	30,705	21,597	34,453
NON-REV FLOATING STAGE	687	-	-	687
SPRINT LEASE NON REVERTIN	113,262	13,696	53,453	73,505
ECONOMIC DEV ABATEMENT	24,446	-	3,606	20,840
JEFF T.I.F. (REPLACEMENT)	-	3,562	-	3,562
TIF63-VOGT VALVE ALLOC	972,553	670,466	752,658	890,361
TIF64-GALVSTAR ALLOC	595,768	307,971	160,600	743,139
TIF66-KEYSTONE ALLOC	427,483	107,441	134,695	400,229
TIF67-BETHNOVA ALLOC	309,571	120,058	23,703	405,926
DEPARTMENT OF LAW N/R	9,666	-	-	9,666
TIF57 61-ICR ALLOC	9,202,036	6,018,287	13,320,926	1,899,397
TIF62-HARB FALLS ALLOC	1,649,267	2,263,264	3,993,745	(81,214)
TIF-SALEM RD UTICA TWP JE	192	-	-	192
TIF=RIVER RIDGE UTICA JEF	291,204	353,086	644,290	-
FEDERAL ASSET FORFEITURE	31,911	82,499	40,058	74,352
JEFF POLICE FORFEITURE	20,506	21,647	22,477	19,676
POLICE SWAT NON/REVERTING	895	20,000	4,536	16,359
POLICE AUTOMOBILE N/R	10,266	37,592	18,210	29,648
SIDEWALK RENOVATION N/R	10	14,197	11,174	3,033
COURT COST DUE COUNTY	19,986	15,774	26,538	9,222
CONTINUING EDUCATION	32,090	3,118	1,489	33,719
JEFF BLDG AUT OPER N/R	6,699	75,000	-	81,699
FEDERAL GRANTS	-	-	147,214	(147,214)
JEFF BLDG AUT CAP IMP RES	186,834	-	-	186,834
PAYROLL	-	19,380,289	19,380,000	289
WW OPERATING & MAINT.	1,000,064	12,667,194	12,609,936	1,057,322
WW CUMULATIVE IMPROVE	164,838	969,894	865,276	269,456
WW SINKING FUND	-	3,064,100	2,856,958	207,142
WW SRF SINKING	699,542	1,501,512	1,718,089	482,965
WW DEBT SERVICE RESERVE	2,139,063	566,870	-	2,705,933
WW 2005 CONSTRUCTION	1,403,620	2,913	322,328	1,084,205
WW 2010 BAB CONSTRUCTION	17,094,755	65,862	6,796,624	10,363,993
WW 2009 SRF CONSTRUCTION	-	299,596	401,557	(101,961)
WW 2010 CONSTRUCTION	-	2,251,836	2,251,836	-
WW 2010 CONSTRUCTION BAN	-	304	711	(407)
WW ARRA GRANT	58	9	-	67
WW CASH CHANGE	300	-	-	300
WW PETTY CASH	700	-	300	400
WW 2010C CONSTRUCTION	543,702	1,497	544,781	418
WW SRF 2011A CONSTRUCTION	-	8,165,406	8,805,066	(639,660)
WW IOCRA-8TH ST SEW SEP	-	640,741	857,145	(216,404)
WW RET-8TH ST SEW SEP	-	56,778	-	56,778
WW SRF 2011C CONSTRUCTION	-	61,550	61,550	-
DRAINAGE OPERATING	1,084,756	1,494,121	1,140,374	1,438,503
WW SRF 2011B CONSTRUCTION	-	498,571	498,571	-
CITY COURT FUND	246,776	591,067	605,156	232,687
DRAINAGE SINKING	-	268,229	246,788	21,441
Totals	<u>\$ 58,311,863</u>	<u>\$ 108,336,374</u>	<u>\$ 124,148,998</u>	<u>\$ 42,499,239</u>

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

CITY OF JEFFERSONVILLE
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, storm water, trash, and urban redevelopment.

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 JEFFERSONVILLE
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, 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 JEFFERSONVILLE
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 JEFFERSONVILLE
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 statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement 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 JEFFERSONVILLE
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. 1937 Firefighters' Pension Plan

Plan Description

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

Funding Policy

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

On Behalf Payments

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

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public 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.

(This page intentionally left blank.)

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 JEFFERSONVILLE
 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 & STREET	P & R BOARD N/R AQUATIC	ANIMAL SHEL. SPAY/NEU PRO	SANITATION	LAW ENFORCEMENT CONT. ED.
Cash and investments - beginning	\$ 1,976,802	\$ 31,589	\$ 159,393	\$ 69,176	\$ 64,141	\$ 834,735	\$ 13,780
Receipts:							
Taxes	14,892,959	-	-	-	-	2,519,372	-
Licenses and permits	300,154	11,360	-	-	-	-	10,480
Intergovernmental	5,749,011	764,268	307,244	-	-	36,493	-
Charges for services	190,648	2,706	-	280,337	34,456	5,460	30,291
Fines and forfeits	65,189	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	1,012,147	178,649	87,559	950	-	30,255	-
Total receipts	<u>22,210,108</u>	<u>956,983</u>	<u>394,803</u>	<u>281,287</u>	<u>34,456</u>	<u>2,591,580</u>	<u>40,771</u>
Disbursements:							
Personal services	14,178,223	690,525	-	166,457	-	821,314	-
Supplies	1,189,542	67,567	282,356	98,686	-	278,330	-
Other services and charges	6,646,466	611	-	43,743	37,949	649,730	40,071
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	153,334	-	-	41,020	-	251,701	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	226,443	-	57,861	-	-	-	-
Total disbursements	<u>22,394,008</u>	<u>758,703</u>	<u>340,217</u>	<u>349,906</u>	<u>37,949</u>	<u>2,001,075</u>	<u>40,071</u>
Excess (deficiency) of receipts over disbursements	<u>(183,900)</u>	<u>198,280</u>	<u>54,586</u>	<u>(68,619)</u>	<u>(3,493)</u>	<u>590,505</u>	<u>700</u>
Cash and investments - ending	<u>\$ 1,792,902</u>	<u>\$ 229,869</u>	<u>\$ 213,979</u>	<u>\$ 557</u>	<u>\$ 60,648</u>	<u>\$ 1,425,240</u>	<u>\$ 14,480</u>

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

	CLERKS RECORD PERPETUAT	UNSAFE BLDG/DEMOLITION NR	SHARE OF GAMING REVENUES	PARK & RECREATION	RAINY DAY FUND	ECONOMIC DEV INCOME TAX	MAJOR MOVES
Cash and investments - beginning	\$ 938	\$ 81,084	\$ 621,935	\$ 1,649,618	\$ 4,658,364	\$ 1,419,849	\$ 101,764
Receipts:							
Taxes	-	-	-	1,782,164	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	171,232	25,815	-	1,673,312	-
Charges for services	1,558	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	6,000
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	58,508	5,434	13,234	-	42,793	-
Total receipts	<u>1,558</u>	<u>58,508</u>	<u>176,666</u>	<u>1,821,213</u>	<u>-</u>	<u>1,716,105</u>	<u>6,000</u>
Disbursements:							
Personal services	-	-	-	944,498	-	-	-
Supplies	-	-	-	156,371	-	-	-
Other services and charges	-	41,087	63,692	229,452	-	667,394	24,661
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	185,000	581,524	-	994,138	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	200,000	250	-	-	76,316
Total disbursements	<u>-</u>	<u>41,087</u>	<u>448,692</u>	<u>1,912,095</u>	<u>-</u>	<u>1,661,532</u>	<u>100,977</u>
Excess (deficiency) of receipts over disbursements	<u>1,558</u>	<u>17,421</u>	<u>(272,026)</u>	<u>(90,882)</u>	<u>-</u>	<u>54,573</u>	<u>(94,977)</u>
Cash and investments - ending	<u>\$ 2,496</u>	<u>\$ 98,505</u>	<u>\$ 349,909</u>	<u>\$ 1,558,736</u>	<u>\$ 4,658,364</u>	<u>\$ 1,474,422</u>	<u>\$ 6,787</u>

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

	CERTIFIED TECHNOLOGY	PROBATION USER FUND	CUM. CAPITAL DEVELOPMENT	REDEVELOPMENT	CUM. CAPITAL IMPROVEMENT	NON-REVERTING HEALTH INS.	POLICE PENSION
Cash and investments - beginning	\$ 876,144	\$ 76,709	\$ 467,941	\$ -	\$ 211,737	\$ 175,872	\$ 577,192
Receipts:							
Taxes	-	-	167,865	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	2,432	-	78,577	-	797,655
Charges for services	-	145,120	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	842,179	-	1,223	153,066	-	5,865,570	-
Total receipts	<u>842,179</u>	<u>145,120</u>	<u>171,520</u>	<u>153,066</u>	<u>78,577</u>	<u>5,865,570</u>	<u>797,655</u>
Disbursements:							
Personal services	-	149,690	-	141,589	-	-	883,468
Supplies	-	10,545	-	-	-	-	27
Other services and charges	-	57,755	-	11,477	-	5,759,647	-
Debt service - principal and interest	614,351	-	-	-	-	-	-
Capital outlay	-	-	146,503	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>614,351</u>	<u>217,990</u>	<u>146,503</u>	<u>153,066</u>	<u>-</u>	<u>5,759,647</u>	<u>883,495</u>
Excess (deficiency) of receipts over disbursements	<u>227,828</u>	<u>(72,870)</u>	<u>25,017</u>	<u>-</u>	<u>78,577</u>	<u>105,923</u>	<u>(85,840)</u>
Cash and investments - ending	<u>\$ 1,103,972</u>	<u>\$ 3,839</u>	<u>\$ 492,958</u>	<u>\$ -</u>	<u>\$ 290,314</u>	<u>\$ 281,795</u>	<u>\$ 491,352</u>

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

	FIRE PENSION	CITY COURT NON REVERTING	PUBLIC SAFETY - LOIT	REDEVELOPMENT CASI	REDEVELOPMENT GRANTS	REDEV REVOLVING LOAN	REDEVELOPMENT OPERATING
Cash and investments - beginning	\$ 468,412	\$ 216,726	\$ 1,425,638	\$ 526,522	\$ 114,433	\$ 204,991	\$ 982,468
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	1,352,994	-	1,897,710	-	52,656	-	-
Charges for services	-	-	-	165,000	-	-	386,354
Fines and forfeits	-	68,404	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	1,484	-	3,657	515	-	71,205	2,189,022
Total receipts	<u>1,354,478</u>	<u>68,404</u>	<u>1,901,367</u>	<u>165,515</u>	<u>52,656</u>	<u>71,205</u>	<u>2,575,376</u>
Disbursements:							
Personal services	1,170,686	2,373	155,800	-	-	-	6,449
Supplies	3,043	-	-	-	-	-	2,253
Other services and charges	1,462	35,688	37,906	20,651	-	185	301,564
Debt service - principal and interest	-	-	-	43,135	-	-	108,610
Capital outlay	-	-	1,132,046	184,860	-	-	34,054
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	126,699	60,000	2,266,252
Total disbursements	<u>1,175,191</u>	<u>38,061</u>	<u>1,325,752</u>	<u>248,646</u>	<u>126,699</u>	<u>60,185</u>	<u>2,719,182</u>
Excess (deficiency) of receipts over disbursements	<u>179,287</u>	<u>30,343</u>	<u>575,615</u>	<u>(83,131)</u>	<u>(74,043)</u>	<u>11,020</u>	<u>(143,806)</u>
Cash and investments - ending	<u>\$ 647,699</u>	<u>\$ 247,069</u>	<u>\$ 2,001,253</u>	<u>\$ 443,391</u>	<u>\$ 40,390</u>	<u>\$ 216,011</u>	<u>\$ 838,662</u>

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

	REDEV CITY HALL BOND	REDEV VETERAN PKWY BOND	REDEV VETERAN PKWY RETAI	STREET DEPT NON-REVERT	INDOT AND JEFF CITY	FIRE DEPARTMENT NON-REVERTING	FIRE DEPARTMENT GRANT
Cash and investments - beginning	\$ 299,500	\$ 1,007,534	\$ 129,508	\$ 5,733	\$ 55,191	\$ 527	\$ 200,933
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	13,688	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	2,640	261	73,901	-	-	126,699
Total receipts	-	2,640	261	73,901	-	13,688	126,699
Disbursements:							
Personal services	-	-	-	-	-	-	327,632
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	9,780	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	188,673	-	-	-	14,208	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	188,673	-	9,780	-	14,208	327,632
Excess (deficiency) of receipts over disbursements	-	(186,033)	261	64,121	-	(520)	(200,933)
Cash and investments - ending	\$ 299,500	\$ 821,501	\$ 129,769	\$ 69,854	\$ 55,191	\$ 7	\$ -

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

	YOUTH FOOTBALL LEAGUE	JAG RECOVERY ACT GRANT	ANIMAL BLDG & CAP IMP. N/R	MAYOR'S NON-REVERTING	JEFF RIVERFR PARK N/R	PARK SPEC. NON-REVERTING	CITY ENGINEER NON-REV.
Cash and investments - beginning	\$ 787	\$ -	\$ 181	\$ 52	\$ 24,415	\$ 52,048	\$ 41,036
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	62,838	-	-	-	-	-
Charges for services	12,879	-	-	-	-	199,342	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	39,893	-	-	-	33,300	34,055	-
Total receipts	<u>52,772</u>	<u>62,838</u>	<u>-</u>	<u>-</u>	<u>33,300</u>	<u>233,397</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	3,342	-	-
Supplies	23,688	-	-	-	-	67,703	-
Other services and charges	10,997	62,838	-	-	-	81,447	197
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	5,695	-	-	-	19,328	14,364	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>40,380</u>	<u>62,838</u>	<u>-</u>	<u>-</u>	<u>22,670</u>	<u>163,514</u>	<u>197</u>
Excess (deficiency) of receipts over disbursements	<u>12,392</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,630</u>	<u>69,883</u>	<u>(197)</u>
Cash and investments - ending	<u>\$ 13,179</u>	<u>\$ -</u>	<u>\$ 181</u>	<u>\$ 52</u>	<u>\$ 35,045</u>	<u>\$ 121,931</u>	<u>\$ 40,839</u>

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

	DUFFY'S LANDING DOCKS	PARTNERSHIP PROGRAM FUND	CASH CHANGE	PETTY CASH	NARCOTICS SURV. GRANT	PARK TROLLEY OPS NON-REV	JUVENILE JUSTICE GRANT
Cash and investments - beginning	\$ 17	\$ 680	\$ 660	\$ 810	\$ (144)	\$ 44,303	\$ 6,151
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	24,000
Charges for services	-	-	-	-	-	9,410	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	27,600	-	143	144	-	-
Total receipts	-	27,600	-	143	144	9,410	24,000
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	20,898	-	-	-	25,745	27,500
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	2,651
Total disbursements	-	20,898	-	-	-	25,745	30,151
Excess (deficiency) of receipts over disbursements	-	6,702	-	143	144	(16,335)	(6,151)
Cash and investments - ending	\$ 17	\$ 7,382	\$ 660	\$ 953	\$ -	\$ 27,968	\$ -

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

	JUSTICE ASSISTANCE GRANT	JAG GRANT 2010	RIVERSTAGE	ANNEXATION	VEHICLE MAIN FUEL & REP	JEFF PARK AND RIDE	DONATIONS
Cash and investments - beginning	\$ 76	\$ -	\$ -	\$ 29,849	\$ -	\$ (76,316)	\$ 164,098
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	30,959	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	200,000	-	37,867	76,316	65,216
Total receipts	-	30,959	200,000	-	37,867	76,316	65,216
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	5,117	-	38,273	-	-
Other services and charges	-	28,959	137,403	28,958	-	-	78,002
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	891	-	-	-
Total disbursements	-	28,959	142,520	29,849	38,273	-	78,002
Excess (deficiency) of receipts over disbursements	-	2,000	57,480	(29,849)	(406)	76,316	(12,786)
Cash and investments - ending	\$ 76	\$ 2,000	\$ 57,480	\$ -	\$ (406)	\$ -	\$ 151,312

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

	BEAUTIFICATION NON/REV	THUNDER COMMITTEE NON-REV	NON-REV FLOATING STAGE	SPRINT LEASE NON REVERTIN	ECONOMIC DEV ABATEMENT	JEFF T.I.F. (REPLACEMENT)	TIF63-VOGT VALVE ALLOC
Cash and investments - beginning	\$ 7,430	\$ 25,345	\$ 687	\$ 113,262	\$ 24,446	\$ -	\$ 972,553
Receipts:							
Taxes	-	-	-	-	-	-	670,466
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	25,795	30,705	-	13,696	-	3,562	-
Total receipts	<u>25,795</u>	<u>30,705</u>	<u>-</u>	<u>13,696</u>	<u>-</u>	<u>3,562</u>	<u>670,466</u>
Disbursements:							
Personal services	-	9,612	-	-	-	-	-
Supplies	-	3,642	-	-	-	-	-
Other services and charges	25,614	8,343	-	-	3,606	-	234,667
Debt service - principal and interest	-	-	-	-	-	-	386,775
Capital outlay	-	-	-	53,453	-	-	131,216
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>25,614</u>	<u>21,597</u>	<u>-</u>	<u>53,453</u>	<u>3,606</u>	<u>-</u>	<u>752,658</u>
Excess (deficiency) of receipts over disbursements	<u>181</u>	<u>9,108</u>	<u>-</u>	<u>(39,757)</u>	<u>(3,606)</u>	<u>3,562</u>	<u>(82,192)</u>
Cash and investments - ending	<u>\$ 7,611</u>	<u>\$ 34,453</u>	<u>\$ 687</u>	<u>\$ 73,505</u>	<u>\$ 20,840</u>	<u>\$ 3,562</u>	<u>\$ 890,361</u>

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

	TIF64-GALVSTAR ALLOC	TIF66-KEYSTONE ALLOC	TIF67-BETHNOVA ALLOC	DEPARTMENT OF LAW N/R	TIF57 61-ICR ALLOC	TIF62-HARB FALLS ALLOC	TIF-SALEM RD UTICA TWP JE
Cash and investments - beginning	\$ 595,768	\$ 427,483	\$ 309,571	\$ 9,666	\$ 9,202,036	\$ 1,649,267	\$ 192
Receipts:							
Taxes	307,971	107,441	120,058	-	5,244,930	2,052,264	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	773,357	211,000	-
Total receipts	<u>307,971</u>	<u>107,441</u>	<u>120,058</u>	<u>-</u>	<u>6,018,287</u>	<u>2,263,264</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	107,423	23,703	-	558,590	47,461	-
Debt service - principal and interest	160,600	-	-	-	1,409,675	1,164,625	-
Capital outlay	-	27,272	-	-	11,287,458	2,781,659	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	65,203	-	-
Total disbursements	<u>160,600</u>	<u>134,695</u>	<u>23,703</u>	<u>-</u>	<u>13,320,926</u>	<u>3,993,745</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>147,371</u>	<u>(27,254)</u>	<u>96,355</u>	<u>-</u>	<u>(7,302,639)</u>	<u>(1,730,481)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 743,139</u>	<u>\$ 400,229</u>	<u>\$ 405,926</u>	<u>\$ 9,666</u>	<u>\$ 1,899,397</u>	<u>\$ (81,214)</u>	<u>\$ 192</u>

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

	TIF=RIVER RIDGE UTICA JEF	FEDERAL ASSET FORFEITURE	JEFF POLICE FORFEITURE	POLICE SWAT NON/REVERTING	POLICE AUTOMOBILE N/R	SIDEWALK RENOVATION N/R	COURT COST DUE COUNTY
Cash and investments - beginning	\$ 291,204	\$ 31,911	\$ 20,506	\$ 895	\$ 10,266	\$ 10	\$ 19,986
Receipts:							
Taxes	353,086	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	82,499	-	-	-	-	-
Charges for services	-	-	-	-	37,592	-	-
Fines and forfeits	-	-	-	-	-	-	15,774
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	21,647	20,000	-	14,197	-
Total receipts	<u>353,086</u>	<u>82,499</u>	<u>21,647</u>	<u>20,000</u>	<u>37,592</u>	<u>14,197</u>	<u>15,774</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	26,538
Other services and charges	-	40,058	3,000	-	-	11,174	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	19,477	4,536	18,210	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	644,290	-	-	-	-	-	-
Total disbursements	<u>644,290</u>	<u>40,058</u>	<u>22,477</u>	<u>4,536</u>	<u>18,210</u>	<u>11,174</u>	<u>26,538</u>
Excess (deficiency) of receipts over disbursements	<u>(291,204)</u>	<u>42,441</u>	<u>(830)</u>	<u>15,464</u>	<u>19,382</u>	<u>3,023</u>	<u>(10,764)</u>
Cash and investments - ending	\$ -	\$ 74,352	\$ 19,676	\$ 16,359	\$ 29,648	\$ 3,033	\$ 9,222

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

	CONTINUING EDUCATION	JEFF BLDG AUT OPER N/R	FEDERAL GRANTS	JEFF BLDG AUT CAP IMP RES	PAYROLL	WW OPERATING & MAINT.	WW CUMULATIVE IMPROVE
Cash and investments - beginning	\$ 32,090	\$ 6,699	\$ -	\$ 186,834	\$ -	\$ 1,000,064	\$ 164,838
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	11,449,554	474,706
Penalties	-	-	-	-	-	2,035	-
Other receipts	3,118	75,000	-	-	19,380,289	1,215,605	495,188
Total receipts	3,118	75,000	-	-	19,380,289	12,667,194	969,894
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,489	-	147,214	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	493,884	455,887
Utility operating expenses	-	-	-	-	-	6,596,817	-
Other disbursements	-	-	-	-	19,380,000	5,519,235	409,389
Total disbursements	1,489	-	147,214	-	19,380,000	12,609,936	865,276
Excess (deficiency) of receipts over disbursements	1,629	75,000	(147,214)	-	289	57,258	104,618
Cash and investments - ending	\$ 33,719	\$ 81,699	\$ (147,214)	\$ 186,834	\$ 289	\$ 1,057,322	\$ 269,456

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

	WW SINKING FUND	WW SRF SINKING	WW DEBT SERVICE RESERVE	WW 2005 CONSTRUCTION	WW 2010 BAB CONSTRUCTION	WW 2009 SRF CONSTRUCTION	WW 2010 CONSTRUCTION
Cash and investments - beginning	\$ -	\$ 699,542	\$ 2,139,063	\$ 1,403,620	\$ 17,094,755	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	389,860	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	2,674,240	1,501,512	566,870	2,913	65,862	299,596	2,251,836
Total receipts	<u>3,064,100</u>	<u>1,501,512</u>	<u>566,870</u>	<u>2,913</u>	<u>65,862</u>	<u>299,596</u>	<u>2,251,836</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	2,856,958	1,360,356	-	-	-	-	-
Capital outlay	-	-	-	322,328	6,796,624	401,557	1,837,287
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	357,733	-	-	-	-	414,549
Total disbursements	<u>2,856,958</u>	<u>1,718,089</u>	<u>-</u>	<u>322,328</u>	<u>6,796,624</u>	<u>401,557</u>	<u>2,251,836</u>
Excess (deficiency) of receipts over disbursements	<u>207,142</u>	<u>(216,577)</u>	<u>566,870</u>	<u>(319,415)</u>	<u>(6,730,762)</u>	<u>(101,961)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 207,142</u>	<u>\$ 482,965</u>	<u>\$ 2,705,933</u>	<u>\$ 1,084,205</u>	<u>\$ 10,363,993</u>	<u>\$ (101,961)</u>	<u>\$ -</u>

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

	WW 2010 CONSTRUCTION BAN	WW ARRA GRANT	WW CASH CHANGE	WW PETTY CASH	WW 2010C CONSTRUCTION	WW SRF 2011A CONSTRUCTION	WW IOCRA-8TH ST SEW SEP
Cash and investments - beginning	\$ -	\$ 58	\$ 300	\$ 700	\$ 543,702	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	640,741
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	304	9	-	-	1,497	8,165,406	-
Total receipts	<u>304</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>1,497</u>	<u>8,165,406</u>	<u>640,741</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	544,781	8,805,066	839,569
Utility operating expenses	-	-	-	300	-	-	-
Other disbursements	711	-	-	-	-	-	17,576
Total disbursements	<u>711</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>544,781</u>	<u>8,805,066</u>	<u>857,145</u>
Excess (deficiency) of receipts over disbursements	<u>(407)</u>	<u>9</u>	<u>-</u>	<u>(300)</u>	<u>(543,284)</u>	<u>(639,660)</u>	<u>(216,404)</u>
Cash and investments - ending	<u>\$ (407)</u>	<u>\$ 67</u>	<u>\$ 300</u>	<u>\$ 400</u>	<u>\$ 418</u>	<u>\$ (639,660)</u>	<u>\$ (216,404)</u>

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

	WW RET-8TH ST SEW SEP	WW SRF 2011C CONSTRUCTION	DRAINAGE OPERATING	WW SRF 2011B CONSTRUCTION	CITY COURT FUND	DRAINAGE SINKING	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 1,084,756	\$ -	\$ 246,776	\$ -	\$ 58,311,863
Receipts:							
Taxes	-	-	-	-	-	-	28,218,576
Licenses and permits	-	-	-	-	-	-	321,994
Intergovernmental	-	-	-	-	-	-	14,140,296
Charges for services	-	-	-	-	-	-	1,514,841
Fines and forfeits	-	-	-	-	-	-	155,367
Utility fees	-	-	1,323,953	-	-	-	13,248,213
Penalties	-	-	-	-	-	-	2,035
Other receipts	56,778	61,550	170,168	498,571	591,067	268,229	50,735,052
Total receipts	56,778	61,550	1,494,121	498,571	591,067	268,229	108,336,374
Disbursements:							
Personal services	-	-	-	-	-	-	19,651,658
Supplies	-	-	-	-	-	-	2,253,681
Other services and charges	-	-	-	-	-	-	16,396,257
Debt service - principal and interest	-	-	-	-	-	246,788	8,351,873
Capital outlay	-	-	54,152	498,571	-	-	39,319,435
Utility operating expenses	-	-	818,322	-	-	-	7,415,439
Other disbursements	-	61,550	267,900	-	605,156	-	30,760,655
Total disbursements	-	61,550	1,140,374	498,571	605,156	246,788	124,148,998
Excess (deficiency) of receipts over disbursements	56,778	-	353,747	-	(14,089)	21,441	(15,812,624)
Cash and investments - ending	\$ 56,778	\$ -	\$ 1,438,503	\$ -	\$ 232,687	\$ 21,441	\$ 42,499,239

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ -	\$ 11,762
Wastewater	2,851,749	2,472,636
Drainage	-	295,425
Totals	\$ 2,851,749	\$ 2,779,823

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
GMAC	Vehicle Lease	\$ 7,336	07-29-11	08-28-15
Ikon	Copier Lease	10,999	11-09-09	11-09-14
New Washington Bank	Lease Purchase Snow/Salt Truck	42,380	11-09-10	11-09-15
New Washington Bank	Lease Purchase 2011 Garbage Truck	46,108	07-16-10	07-16-15
New Washington Bank	Lease Purchase 2011 Garbage Trucks (2)	91,355	06-01-10	06-01-15
Republic Bank	Lease Purchase 2010 Garbage Truck	58,550	04-01-10	04-01-15
Republic Bank	Lease Purchase Police Laptops	109,755	12-01-09	12-01-13
Republic Bank	Lease Purchase NWS Software	126,717	12-01-09	12-01-13
Republic Bank	Lease Purchase 2008 Garbage Truck	48,636	06-01-09	06-01-13
Republic Bank	Lease Purchase Police Cameras in Vehicles	36,546	12-01-09	12-01-13
Republic Bank	Lease Purchase 2008 Fire Truck	129,795	02-13-09	02-13-17
Republic Bank	Lease Purchase Sound Equipment	12,847	06-06-06	06-02-12
Toshiba	Copier Lease	7,861	09-30-11	12-31-14
Steel Dynamics Inc	Lease Galvpro/Steel Dynamics	173,975	07-01-05	01-01-14
Redevelopment Authority	Lease Rental Riverside Landing	399,628	01-01-05	01-01-16
Redevelopment Authority	Lease Rental Aquatic Center	334,425	02-01-10	02-01-22
Jeffersonville Building Corporation	Lease Rental Firestation #2	340,000	02-01-07	08-01-26
Jeffersonville Building Corporation	Lease Rental Firestation #4	187,500	02-01-07	08-01-26
Jeffersonville Building Corporation	Lease Rental City Services Facility	<u>390,500</u>	02-01-07	08-01-26
Total governmental activities		<u>2,554,913</u>		

Wastewater:				
New Washington Bank	Lease Purchase Two 2011 F-250 Trucks	11,327	09-03-10	09-03-15
New Washington Bank	Lease Purchase Two 2011 3500 Trucks	20,463	07-16-10	07-16-15
New Washington Bank	Lease Purchase Mr. Manhole and Loader	25,532	05-04-10	05-04-15
Republic Bank	Lease Purchase 2009 Aqua Tech Sewer Truck	48,985	09-10-10	09-10-15
Republic Bank	Lease Purchase Cues Camera Truck	48,337	07-15-09	05-15-14
Republic Bank	Lease Purchase Nine Standby Generators	28,671	11-30-09	11-30-15
Republic Bank	Lease Purchase Two Dump Truck	33,325	11-30-09	11-30-15
Republic Bank	Lease Purchase Two Pumps with Trailers	33,299	09-06-11	09-06-14
TCF Equipment Finance	Lease Purchase Aqua Tech Sewer Clean Truck	<u>58,942</u>	04-12-10	04-12-15
Total Wastewater		<u>308,881</u>		

Total of annual lease payments \$ 2,863,794

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	2005A Tax Increment Bonds for City Hall	1,340,000	369,873
Revenue bonds	2005B Tax Increment Bonds for Economic Dev relating to Med Venture	2,840,003	614,126
Revenue bonds	2008 Tax Increment Bonds for Veterans Pkwy & Thompson Rd	2,500,000	252,749
Notes and loans payable	Notes for Purchase of CASI	344,336	46,730
Notes and loans payable	State Infrastructure Bank Loan INDOT Veterans Overpass Construction	3,079,501	85,000
Notes and loans payable	Note for Purchase of Real Property at 520 W. 7th St	207,706	36,203
Notes and loans payable	Purchase of Real Property Perrin Land	<u>53,750</u>	<u>55,900</u>
Total governmental activities		<u>10,365,296</u>	<u>1,460,581</u>
Wastewater:			
Revenue bonds	2005A Revenue Bonds for Additions Extensions and Improvements	6,445,000	325,561
Revenue bonds	2009 Revenue Bonds Refunding 1998 Bonds	2,995,000	485,088
Revenue bonds	2010B Revenue Certain Additions Extensions & Improvements	17,355,000	1,007,538
Revenue bonds	2010 C1 Revenue Bonds to Retire 2010 BAN	3,485,000	928,900
Notes and loans payable	1999 SRF Sewage Works	1,764,773	209,367
Notes and loans payable	2008 SRF Expansion of Downtown Treatment Plant	9,547,000	550,093
Notes and loans payable	2009 SRF Improvements	554,218	102,725
Notes and loans payable	2010A SRF Improvements	2,258,375	150,984
Notes and loans payable	2011 Series A SRF Tenth St Lift Station and Certain other Improvement	8,165,406	1,163,980
Notes and loans payable	2011 Series B RLF Brownfield Remediation	498,571	39,000
Notes and loans payable	2011 Series C SRF North WW Treatment Plant	<u>61,550</u>	<u>158,235</u>
Total Wastewater		<u>53,129,893</u>	<u>5,121,471</u>
Drainage:			
Revenue bonds	2003 Revenue - Improvements to Certain Drainage Projects	<u>2,225,000</u>	<u>245,978</u>
Totals		<u>\$ 65,720,189</u>	<u>\$ 6,828,030</u>

CITY OF JEFFERSONVILLE
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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

	Ending Balance
Governmental activities:	
Land	\$ 6,921,340
Infrastructure	26,883,863
Buildings	18,770,557
Improvements other than buildings	6,270,968
Machinery, equipment and vehicles	10,458,496
Construction in progress	3,001,609
Total governmental activities	72,306,833
Wastewater:	
Land	888,703
Infrastructure	6,003,882
Buildings	18,417,707
Improvements other than buildings	26,853,002
Machinery, equipment and vehicles	2,045,809
Construction in progress	18,029,967
Total Wastewater	72,239,070
Drainage:	
Land	11,000
Infrastructure	3,405,487
Machinery, equipment and vehicles	436,391
Construction in progress	259,240
Total Drainage	4,112,118
Total capital assets	\$ 148,658,021

CITY OF JEFFERSONVILLE
OTHER REPORT

The annual report presented herein was prepared in addition to another official report listed below:

City Departments

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

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 JEFFERSONVILLE, CLARK COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Jeffersonville (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.

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)

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

STATE BOARD OF ACCOUNTS

August 15, 2012

(This page intentionally left blank.)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

CITY OF JEFFERSONVILLE
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 HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Indiana Office of Community and Rural Affairs CDBG - State Administered CDBG Cluster Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Disaster Recovery - Combined Sewer Separation 8th Street	14.228	DR2-09-155	\$ 640,741
Total for cluster			<u>640,741</u>
Total for federal grantor agency			<u>640,741</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct grant			
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program Jeffersonville-Clarksville-Clark County Communications and Technology Upgrade	16.738	2010-DJ-BX-0695	<u>28,959</u>
Total for program			<u>28,959</u>
ARRA - Recovering Act - Edward Byrne Memorial Justice Assistance Grants (JAG) Program/Grants to Units of Local Government Jeffersonville-Clarksville-Clark County Law Enforcement Equipment Upgrade and Enhancement Project	16.804	2009SBB91828	<u>62,838</u>
Total for program			<u>62,838</u>
Total for cluster			<u>91,797</u>
Pass-Through Indiana Criminal Justice Institute Juvenile Accountability Block Grants Clark County Juvenile Justice Program Clark County Juvenile Justice Program	16.523	08-JB-001 09-JB-003	7,000 <u>7,000</u>
Total for program			<u>14,000</u>
Pass-Through Indiana Criminal Justice Institute Juvenile Justice and Delinquency Prevention - Allocation to States Clark County Juvenile Justice Program	16.540	2010-JF-FX-0043	<u>10,000</u>
Total for program			<u>10,000</u>
Total for federal grantor agency			<u>115,797</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction Hamburg Pike Rehabilitation 10th Street Rehabilitation	20.205	STP-C70004 DES#0810280	205,468 <u>216,844</u>
Total for program			<u>422,312</u>
Total for cluster			<u>422,312</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF JEFFERSONVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011
(Continued)

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 TRANSPORTATION (continued)</u>			
Pass-Through City of Charlestown			
Highway Safety Cluster			
State and Community Highway Safety Clark County Traffic Safety Partnership	20.600	PT-11-04-04-37	<u>7,750</u>
Total for program			<u>7,750</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I			
Clark County Traffic Safety Partnership	20.601	K8-2011-03-03-04	<u>5,625</u>
Total for program			<u>5,625</u>
Total for cluster			<u>13,375</u>
Total for federal grantor agency			<u>435,687</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Pass-Through Indiana Finance Authority			
Capitalization Grants for Clean Water State Revolving Funds			
State Revolving Loan	66.458	WW06121003	134,818
State Revolving Loan		WW06121004	1,013,327
State Revolving Loan		WW06121005	3,674,433
State Revolving Loan		WW06121006	<u>27,698</u>
Total for program			<u>4,850,276</u>
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements			
Revolving Loan Fund	66.818	2B-00E96801-1	<u>498,571</u>
Total for program			<u>498,571</u>
Total for federal grantor agency			<u>5,348,847</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct grant			
Assistance to Firefighters Grant			
Staffing for Adequate Fire and Emergency Response	97.044	EMW-2007-FF-00649	<u>52,656</u>
Total for program			<u>52,656</u>
Pass-Through Indiana Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Disaster	97.036	DR-1997	<u>42,979</u>
Total for program			<u>42,979</u>
Pass-Through Port of Louisville			
Port Security Grant Program			
FY08 PSGP	97.056	2008-GB-T8-K085	146,030
FY09 PSGP		2009-PU-T9-K017	<u>145,952</u>
Total for program			<u>291,982</u>
Total for federal grantor agency			<u>387,617</u>
Total federal awards expended			<u>\$ 6,928,689</u>

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF JEFFERSONVILLE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Jeffersonville (City) 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.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the City provided federal awards to subrecipients as follows for the year ended December 31, 2011:

Program Title	Federal CFDA Number	2011
Juvenile Accountability Block Grants	16.523	\$ 14,000
Juvenile Justice and Delinquency Prevention – Allocation to States	16.540	10,000

CITY OF JEFFERSONVILLE
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?	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
	Highway Planning and Construction Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds
66.818	ARRA – Brownfields Assessment and Cleanup Cooperative Agreements

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

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF JEFFERSONVILLE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF JEFFERSONVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 15, 2012, with Mike Moore, Mayor, and Monica L. Harmon, Controller. Our audit disclosed no material items that warrant comment at this time.