

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF

CITY OF LOGANSPOUR  
CASS COUNTY, INDIANA

January 1, 2012 to December 31, 2012



**FILED**  
09/30/2013



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## SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Carol Sue Hayworth	01-01-12 to 12-31-15
Mayor	Ted Franklin	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Ted Franklin	01-01-12 to 12-31-15
President of the City Council	Joe Buck	01-01-12 to 12-31-13
Superintendent of Utilities	Paul Hartman	01-01-12 to 12-31-13
Manager/Electric Distribution	Robert Dunderman	01-01-12 to 12-31-13
Manager/Generating Plant	Greg Wengert	01-01-12 to 12-31-13
Manager/Water Utility	James J. Jackson	01-01-12 to 12-31-13
Manager/Wastewater Utility	James J. Jackson	01-01-12 to 12-31-13
Utility Office Manager	LuAnn Davis	01-01-12 to 12-31-13
Utility Service Board Chair	Jeff Miller John Davis Don D. Strasser	08-01-11 to 07-31-12 08-01-12 to 07-31-13 08-01-13 to 07-31-14



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF LOGANSPORT, CASS COUNTY, INDIANA

***Report on the Financial Statement***

We have audited the accompanying financial statement of the City of Logansport (City), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 of the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2012.

***Opinion on Regulatory Basis of Accounting***

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, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated September 26, 2013, 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* in considering the City's internal control over financial reporting and compliance.

***Accompanying Information***

*Supplementary Information*

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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards 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, as listed in the Table of Contents, 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.



Bruce Hartman  
State Examiner

September 26, 2013



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INDEPENDENT AUDITOR'S 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 LOGANSPOUT, CASS COUNTY, INDIANA

We have audited, 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, the financial statement of the City of Logansport (City), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated September 26, 2013, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 items 2012-01 and 2012-02 to be material weaknesses.

***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

INDEPENDENT AUDITOR'S 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)

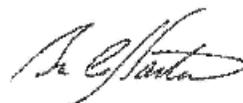
determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***City of Logansport's Response to Findings***

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bruce Hartman  
State Examiner

September 26, 2013

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## 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 LOGANSPORT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2012

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General Fund	\$ 5,473,798	\$ 8,317,420	\$ 8,209,592	\$ 5,581,626
Motor Vehicle Hwy/Str	677,550	975,511	903,681	749,380
Local Roads/St Fund	101,406	72,126	100,000	73,532
Park Operating	55,556	39,288	33,856	60,988
NR Logansport Health Ins	308,760	385,403	-	694,163
NR Unsafe Bldg Fund	79,927	224,128	80,552	223,503
Rainy Day Fund	705,752	232,160	37,500	900,412
E.D. Inc Tax (CEDIT) Fund	3,202,426	814,202	391,276	3,625,352
Park Capital Improvement	2,792	-	2,500	292
NR Drug Invest. Equipment	3,450	4,930	3,450	4,930
Cumulative Capital Fund	127,310	48,791	-	176,101
TIF Industrial Park	1,093,182	186,147	-	1,279,329
Police Pension Fund	473,125	1,445,958	1,485,020	434,063
Fire Pension Fund	701,554	861,664	985,218	578,000
LOIT Public Safety Fund	277,473	682,951	447,894	512,530
Donation Fund	1,793	13,819	5,198	10,414
Forestry Exact Grant	2,830	-	-	2,830
Auto Safety IU Grant	74	-	74	-
Chase Road Project	1,579	453,574	453,575	1,578
Land & Water CF Grant	145,325	101,700	145,325	101,700
AIP Environmental Grant	392	-	-	392
Recreation Trails Prog Gr	3,213	-	-	3,213
NR Grant Administrative	83,806	-	13,307	70,499
CDBG IN Housing Gr 005	50	-	-	50
Safe Routes INDOT Grant	250,000	-	9,468	240,532
TE Eel River Run Bridges	46	3,400	103,488	(100,042)
Police Reserve Fund	190	-	-	190
NR Host Comm Agree	898,711	263,845	219,116	943,440
Cemetery Perpetual Fund	64,206	8,493	-	72,699
Cemetery Endowment	9,078	-	-	9,078
Calvary Perpetual Fund	51,162	-	-	51,162
Spry Charitable Fund	10,252	-	-	10,252
Pratt Charitable Fund	5,051	-	-	5,051
Ben H Long Fund	473	-	-	473
Blitz Grant Fund	1	3,534	3,534	1
Bulletproof Vest Fund	8,089	1,103	1,565	7,627
NR Infrastructure Maint Fund	786,956	100,000	-	886,956
Fire Report	557	114	-	671
Eastgate Property Fund	534,412	18,000	24,285	528,127
NR Huston Park Dev Fund	486,989	300,000	674,166	112,823
NR Golf Operating Fund	147,278	404,867	397,945	154,200

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

CITY OF LOGANSPORT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2012  
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
Logan Equip NR Capital Fund	1,220,877	38,127	11,499	1,247,505
Mun. Bldg Corp/Ivy Tech	1,672	409,502	311,000	100,174
NR Law Enforce Fund	65,511	12,388	16,065	61,834
Fire Station Street Barn Const	276	-	-	276
NR Land Dev Mt Hope Cem	31,477	40,978	41,856	30,599
Little Turtle Grt/Plaza	484	-	-	484
NR Old US Hwy Relinq	458,833	-	18,513	440,320
LMU Payroll W/H Clearing	-	2,185,898	2,185,898	-
Payroll Fund	-	3,312,827	3,312,827	-
TIF Logans Landing	529,745	144,719	65,426	609,038
TIF East End	18,710	185,686	111,027	93,369
TIF Gateway Commerce	3,483	2,180	-	5,663
Solid Waste District Fund	25,236	2,220	-	27,456
Land & Water Phase 2	-	116,987	173,891	(56,904)
TE Eel River Run Bridge	-	82,111	82,111	-
Electric Operating Hi-Fi	1,094,687	43,426,559	43,249,925	1,271,321
Electric D&R	2,782,671	2,528	-	2,785,199
Electric Customer Dep.	150,423	707	-	151,130
Electric Ins. Reserve	272,634	302	-	272,936
Stormwater D&R	1,187,797	2,092	-	1,189,889
Stormwater Oper. Reserve	934,754	148,967	-	1,083,721
Stormwater Bond Reserve	147,861	227	148,088	-
Stormwater Operating Hi-F	241,352	1,033,289	879,810	394,831
Stormwater Construction	-	8,863,000	-	8,863,000
Trash & Garbage Pickup	150,050	897,349	904,326	143,073
Sewage Operating Hi-Fi	548,198	4,609,566	4,521,677	636,087
Sewage Sinking	204,936	54,933	259,869	-
Sewage D&R	3,309,267	403,175	-	3,712,442
Sewage Ins. Reserve	110,190	121	-	110,311
Sewage Fiscal Agent	16,795	78	77	16,796
Sewage Bond Reserve	260,700	482	-	261,182
Water Operating Hi-Fi	133,522	4,216,568	4,194,369	155,721
Water D&R	2,205,984	1,531	682,808	1,524,707
Water Bond Reserve	245,740	381	-	246,121
Water Bond Sinking	187,495	57,370	244,864	1
Water Insurance Reserve	114,605	126	-	114,731
Utility Health Insurance	430,371	1,286,774	1,113,676	603,469
Employee Banked Vacation	296,841	23,173	-	320,014
Totals	<u>\$ 34,159,751</u>	<u>\$ 87,526,049</u>	<u>\$ 77,261,187</u>	<u>\$ 44,424,613</u>

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

CITY OF LOGANSPORT  
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 LOGANSPORT  
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.

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.

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

CITY OF LOGANSPORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

**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.

CITY OF LOGANSPORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

**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

*Funding Policy and Annual Pension Cost*

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

CITY OF LOGANSPORT  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*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.

*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.

CITY OF LOGANSPOUR  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of the funds established for reimbursable grants. The reimbursements for expenditures made by the City were not received by December 31, 2012.

**Note 8. Holding Corporation**

The City has entered into a capital lease with the Logansport Municipal Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related party of the City. Lease payments during the year 2012 totaled \$310,500.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 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 LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012

	General Fund	Motor Vehicle Hwy/Str	Local Roads/St Fund	Park Operating	NR Logansport Health Ins	NR Unsafe Bldg Fund	Rainy Day Fund	E.D. Inc Tax (CEDIT) Fund
Cash and investments - beginning	\$ 5,473,798	\$ 677,550	\$ 101,406	\$ 55,556	\$ 308,760	\$ 79,927	\$ 705,752	\$ 3,202,426
Receipts:								
Taxes	4,245,148	409,668	-	-	-	-	-	-
Licenses and permits	225,098	-	-	-	-	-	-	-
Intergovernmental	2,843,344	511,578	72,126	-	-	-	-	673,202
Charges for services	133,222	-	-	-	-	-	-	-
Fines and forfeits	5,681	-	-	-	-	24,128	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	864,927	54,265	-	39,288	385,403	200,000	232,160	141,000
Total receipts	<u>8,317,420</u>	<u>975,511</u>	<u>72,126</u>	<u>39,288</u>	<u>385,403</u>	<u>224,128</u>	<u>232,160</u>	<u>814,202</u>
Disbursements:								
Personal services	6,454,981	506,590	-	-	-	-	-	-
Supplies	253,946	159,007	-	9,511	-	-	-	-
Other services and charges	1,052,781	61,651	-	24,345	-	80,552	37,500	391,276
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	181,287	176,433	100,000	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	266,597	-	-	-	-	-	-	-
Total disbursements	<u>8,209,592</u>	<u>903,681</u>	<u>100,000</u>	<u>33,856</u>	<u>-</u>	<u>80,552</u>	<u>37,500</u>	<u>391,276</u>
Excess (deficiency) of receipts over disbursements	<u>107,828</u>	<u>71,830</u>	<u>(27,874)</u>	<u>5,432</u>	<u>385,403</u>	<u>143,576</u>	<u>194,660</u>	<u>422,926</u>
Cash and investments - ending	<u>\$ 5,581,626</u>	<u>\$ 749,380</u>	<u>\$ 73,532</u>	<u>\$ 60,988</u>	<u>\$ 694,163</u>	<u>\$ 223,503</u>	<u>\$ 900,412</u>	<u>\$ 3,625,352</u>

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Park Capital Improvement	NR Drug Invest. Equipment	Cumulative Capital Fund	TIF Industrial Park	Police Pension Fund	Fire Pension Fund	LOIT Public Safety Fund	Donation Fund
Cash and investments - beginning	\$ 2,792	\$ 3,450	\$ 127,310	\$ 1,093,182	\$ 473,125	\$ 701,554	\$ 277,473	\$ 1,793
Receipts:								
Taxes	-	-	-	185,515	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	48,791	-	1,445,958	861,664	668,826	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	4,930	-	632	-	-	14,125	13,819
Total receipts	-	4,930	48,791	186,147	1,445,958	861,664	682,951	13,819
Disbursements:								
Personal services	-	-	-	-	27,400	92,400	99	-
Supplies	-	-	-	-	2,705	1,195	71,799	5,198
Other services and charges	-	3,450	-	-	593,251	891,623	191,137	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	2,500	-	-	-	-	-	89,459	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	861,664	-	95,400	-
Total disbursements	2,500	3,450	-	-	1,485,020	985,218	447,894	5,198
Excess (deficiency) of receipts over disbursements	(2,500)	1,480	48,791	186,147	(39,062)	(123,554)	235,057	8,621
Cash and investments - ending	\$ 292	\$ 4,930	\$ 176,101	\$ 1,279,329	\$ 434,063	\$ 578,000	\$ 512,530	\$ 10,414

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Forestry Exact Grant	Auto Safety IU Grant	Chase Road Project	Land & Water CF Grant	AIP Environmental Grant	Recreation Trails Prog Gr	NR Grant Administrative	CDBG IN Housing Gr 005
Cash and investments - beginning	\$ 2,830	\$ 74	\$ 1,579	\$ 145,325	\$ 392	\$ 3,213	\$ 83,806	\$ 50
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	281,261	101,700	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	172,313	-	-	-	-	-
Total receipts	-	-	453,574	101,700	-	-	-	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	74	453,575	145,325	-	-	13,307	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	-	74	453,575	145,325	-	-	13,307	-
Excess (deficiency) of receipts over disbursements	-	(74)	(1)	(43,625)	-	-	(13,307)	-
Cash and investments - ending	\$ 2,830	\$ -	\$ 1,578	\$ 101,700	\$ 392	\$ 3,213	\$ 70,499	\$ 50

CITY OF LOGANSPOUR  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Safe Routes INDOT Grant	TE Eel River Run Bridges	Police Reserve Fund	NR Host Comm Agree	Cemetery Perpetual Fund	Cemetery Endowment	Calvary Perpetual Fund
Cash and investments - beginning	\$ 250,000	\$ 46	\$ 190	\$ 898,711	\$ 64,206	\$ 9,078	\$ 51,162
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	222,695	8,493	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	3,400	-	41,150	-	-	-
Total receipts	-	3,400	-	263,845	8,493	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	9,468	103,488	-	219,116	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	9,468	103,488	-	219,116	-	-	-
Excess (deficiency) of receipts over disbursements	(9,468)	(100,088)	-	44,729	8,493	-	-
Cash and investments - ending	\$ 240,532	\$ (100,042)	\$ 190	\$ 943,440	\$ 72,699	\$ 9,078	\$ 51,162

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Spry Charitable Fund	Pratt Charitable Fund	Ben H Long Fund	Blitz Grant Fund	Bulletproof Vest Fund	NR Infrastructure Maint Fund	Fire Report
Cash and investments - beginning	\$ 10,252	\$ 5,051	\$ 473	\$ 1	\$ 8,089	\$ 786,956	\$ 557
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	3,534	1,103	100,000	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	114
Total receipts	-	-	-	3,534	1,103	100,000	114
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	3,534	1,565	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	-	-	3,534	1,565	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	(462)	100,000	114
Cash and investments - ending	<u>\$ 10,252</u>	<u>\$ 5,051</u>	<u>\$ 473</u>	<u>\$ 1</u>	<u>\$ 7,627</u>	<u>\$ 886,956</u>	<u>\$ 671</u>

CITY OF LOGANSPOUR  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Eastgate Property Fund	NR Huston Park Dev Fund	NR Golf Operating Fund	Logan Equip NR Capital Fund	Mun. Bldg Corp/Ivy Tech	NR Law Enforce Fund	Fire Station Street Barn Const
Cash and investments - beginning	\$ 534,412	\$ 486,989	\$ 147,278	\$ 1,220,877	\$ 1,672	\$ 65,511	\$ 276
Receipts:							
Taxes	-	-	-	-	370,503	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	38,999	-	-
Charges for services	-	-	400,738	38,127	-	12,388	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	18,000	300,000	4,129	-	-	-	-
Total receipts	<u>18,000</u>	<u>300,000</u>	<u>404,867</u>	<u>38,127</u>	<u>409,502</u>	<u>12,388</u>	<u>-</u>
Disbursements:							
Personal services	-	-	177,759	-	-	-	-
Supplies	-	-	104,719	-	-	-	-
Other services and charges	24,285	674,166	71,037	-	-	16,065	-
Debt service - principal and interest	-	-	-	-	311,000	-	-
Capital outlay	-	-	44,386	11,499	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	44	-	-	-	-
Total disbursements	<u>24,285</u>	<u>674,166</u>	<u>397,945</u>	<u>11,499</u>	<u>311,000</u>	<u>16,065</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(6,285)</u>	<u>(374,166)</u>	<u>6,922</u>	<u>26,628</u>	<u>98,502</u>	<u>(3,677)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 528,127</u>	<u>\$ 112,823</u>	<u>\$ 154,200</u>	<u>\$ 1,247,505</u>	<u>\$ 100,174</u>	<u>\$ 61,834</u>	<u>\$ 276</u>

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	NR Land Dev Mt Hope Cem	Little Turtle Grt/Plaza	NR Old US Hwy Relinq	LMU Payroll W/H Clearing	Payroll Fund	TIF Logans Landing	TIF East End
Cash and investments - beginning	\$ 31,477	\$ 484	\$ 458,833	\$ -	\$ -	\$ 529,745	\$ 18,710
Receipts:							
Taxes	-	-	-	-	-	144,457	185,686
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	40,978	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	2,185,898	3,312,827	262	-
Total receipts	<u>40,978</u>	<u>-</u>	<u>-</u>	<u>2,185,898</u>	<u>3,312,827</u>	<u>144,719</u>	<u>185,686</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	41,856	-	18,513	-	-	65,426	111,027
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	2,185,898	3,312,827	-	-
Total disbursements	<u>41,856</u>	<u>-</u>	<u>18,513</u>	<u>2,185,898</u>	<u>3,312,827</u>	<u>65,426</u>	<u>111,027</u>
Excess (deficiency) of receipts over disbursements	<u>(878)</u>	<u>-</u>	<u>(18,513)</u>	<u>-</u>	<u>-</u>	<u>79,293</u>	<u>74,659</u>
Cash and investments - ending	<u>\$ 30,599</u>	<u>\$ 484</u>	<u>\$ 440,320</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,038</u>	<u>\$ 93,369</u>

CITY OF LOGANSPOUR  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	TIF Gateway Commerce	Solid Waste District Fund	Land & Water Phase 2	TE Eel River Run Bridge	Electric Operating Hi-Fi	Electric D&R	Electric Customer Dep.
Cash and investments - beginning	\$ 3,483	\$ 25,236	\$ -	\$ -	\$ 1,094,687	\$ 2,782,671	\$ 150,423
Receipts:							
Taxes	2,180	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	116,987	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	40,116,389	2,528	-
Other receipts	-	2,220	-	82,111	3,310,170	-	707
Total receipts	<u>2,180</u>	<u>2,220</u>	<u>116,987</u>	<u>82,111</u>	<u>43,426,559</u>	<u>2,528</u>	<u>707</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	173,891	82,111	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	43,249,925	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>173,891</u>	<u>82,111</u>	<u>43,249,925</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,180</u>	<u>2,220</u>	<u>(56,904)</u>	<u>-</u>	<u>176,634</u>	<u>2,528</u>	<u>707</u>
Cash and investments - ending	<u>\$ 5,663</u>	<u>\$ 27,456</u>	<u>\$ (56,904)</u>	<u>\$ -</u>	<u>\$ 1,271,321</u>	<u>\$ 2,785,199</u>	<u>\$ 151,130</u>

CITY OF LOGANSPOUR  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Electric Ins. Reserve	Stormwater D&R	Stormwater Oper. Reserve	Stormwater Bond Reserve	Stormwater Operating Hi-F	Stormwater Construction	Trash & Garbage Pickup
Cash and investments - beginning	\$ 272,634	\$ 1,187,797	\$ 934,754	\$ 147,861	\$ 241,352	\$ -	\$ 150,050
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	895,917
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	998,470	-	-
Other receipts	302	2,092	148,967	227	34,819	8,863,000	1,432
Total receipts	302	2,092	148,967	227	1,033,289	8,863,000	897,349
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	904,326
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	879,810	-	-
Other disbursements	-	-	-	148,088	-	-	-
Total disbursements	-	-	-	148,088	879,810	-	904,326
Excess (deficiency) of receipts over disbursements	302	2,092	148,967	(147,861)	153,479	8,863,000	(6,977)
Cash and investments - ending	\$ 272,936	\$ 1,189,889	\$ 1,083,721	\$ -	\$ 394,831	\$ 8,863,000	\$ 143,073

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Sewage Operating Hi-Fi	Sewage Sinking	Sewage D&R	Sewage Ins. Reserve	Sewage Fiscal Agent	Sewage Bond Reserve	Water Operating Hi-Fi
Cash and investments - beginning	\$ 548,198	\$ 204,936	\$ 3,309,267	\$ 110,190	\$ 16,795	\$ 260,700	\$ 133,522
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	3,682,896	-	-	-	-	-	3,069,550
Other receipts	926,670	54,933	403,175	121	78	482	1,147,018
Total receipts	<u>4,609,566</u>	<u>54,933</u>	<u>403,175</u>	<u>121</u>	<u>78</u>	<u>482</u>	<u>4,216,568</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	4,194,369
Other disbursements	4,521,677	259,869	-	-	77	-	-
Total disbursements	<u>4,521,677</u>	<u>259,869</u>	<u>-</u>	<u>-</u>	<u>77</u>	<u>-</u>	<u>4,194,369</u>
Excess (deficiency) of receipts over disbursements	<u>87,889</u>	<u>(204,936)</u>	<u>403,175</u>	<u>121</u>	<u>1</u>	<u>482</u>	<u>22,199</u>
Cash and investments - ending	<u>\$ 636,087</u>	<u>\$ -</u>	<u>\$ 3,712,442</u>	<u>\$ 110,311</u>	<u>\$ 16,796</u>	<u>\$ 261,182</u>	<u>\$ 155,721</u>

CITY OF LOGANSPORT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2012  
 (Continued)

	Water D&R	Water Bond Reserve	Water Bond Sinking	Water Insurance Reserve	Utility Health Insurance	Employee Banked Vacation	Totals
Cash and investments - beginning	\$ 2,205,984	\$ 245,740	\$ 187,495	\$ 114,605	\$ 430,371	\$ 296,841	\$ 34,159,751
Receipts:							
Taxes	-	-	-	-	-	-	5,543,157
Licenses and permits	-	-	-	-	-	-	225,098
Intergovernmental	-	-	-	-	-	-	7,769,073
Charges for services	-	-	-	-	-	-	1,752,558
Fines and forfeits	-	-	-	-	-	-	29,809
Utility fees	-	-	-	-	-	-	47,869,833
Other receipts	1,531	381	57,370	126	1,286,774	23,173	24,336,521
Total receipts	1,531	381	57,370	126	1,286,774	23,173	87,526,049
Disbursements:							
Personal services	-	-	-	-	-	-	7,259,229
Supplies	-	-	-	-	-	-	608,080
Other services and charges	-	-	-	-	-	-	6,459,721
Debt service - principal and interest	-	-	-	-	-	-	311,000
Capital outlay	-	-	-	-	-	-	605,564
Utility operating expenses	-	-	-	-	-	-	48,324,104
Other disbursements	682,808	-	244,864	-	1,113,676	-	13,693,489
Total disbursements	682,808	-	244,864	-	1,113,676	-	77,261,187
Excess (deficiency) of receipts over disbursements	(681,277)	381	(187,494)	126	173,098	23,173	10,264,862
Cash and investments - ending	\$ 1,524,707	\$ 246,121	\$ 1	\$ 114,731	\$ 603,469	\$ 320,014	\$ 44,424,613

CITY OF LOGANSPORT  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 1,162	\$ -
Electric	2,161,167	2,738,967
Storm Water	88,065	90,774
Wastewater	170,189	263,571
Water	<u>263,571</u>	<u>-</u>
Totals	<u>\$ 2,684,154</u>	<u>\$ 3,093,312</u>

CITY OF LOGANSPORT  
SCHEDULE OF LEASES AND DEBT  
December 31, 2012

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Capital lease	Logansport Municipal Building Corporation Series 2007	\$ 3,530,000	\$ 307,974
Notes and loans payable	Golf Carts	36,539	21,632
Notes and loans payable	Industrial Energy Efficiency Loan	<u>21,710</u>	<u>6,680</u>
Total governmental activities		<u>3,588,249</u>	<u>336,286</u>
Storm Water:			
Revenue bonds	Infrastructure Lines	<u>8,863,000</u>	<u>516,613</u>
Wastewater:			
Revenue bonds	Infrastructure	502,000	91,136
Revenue bonds	Infrastructure	<u>1,403,000</u>	<u>165,244</u>
Total Wastewater		<u>1,905,000</u>	<u>256,380</u>
Water:			
Revenue bonds	Infrastructure - Water Mains	<u>2,056,000</u>	<u>241,988</u>
Totals		<u>\$ 16,412,249</u>	<u>\$ 1,351,267</u>

CITY OF LOGANSPORT  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2012

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	\$ 6,337,727
Infrastructure	16,334,563
Buildings	13,055,554
Improvements other than buildings	5,484,623
Machinery, equipment, and vehicles	7,030,360
Total governmental activities	48,242,827
Electric:	
Land	468,635
Infrastructure	54,065,656
Buildings	2,497,049
Improvements other than buildings	20,287,188
Machinery, equipment, and vehicles	4,218,640
Construction in progress	456,103
Total Electric	81,993,271
Storm Water:	
Infrastructure	6,056,108
Construction in progress	818,372
Total Storm Water	6,874,480
Wastewater:	
Land	536,519
Infrastructure	30,514,203
Buildings	2,406,271
Improvements other than buildings	296,203
Machinery, equipment, and vehicles	1,137,376
Total Wastewater	34,890,572
Water:	
Land	376,916
Infrastructure	15,629,801
Buildings	281,527
Improvements other than buildings	5,470,586
Machinery, equipment, and vehicles	704,855
Construction in progress	683,710
Total Water	23,147,395
Total capital assets	\$ 195,148,545

CITY OF LOGANSPORT  
AUDIT RESULTS AND COMMENTS

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

We noted several deficiencies in the internal control system of the City related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's audited financial statement and then determining how those identified risks should be managed. The City has not identified risks to the preparation of a 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. In addition, City Management has not established controls over the final review of the financial statement after compilation.

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)

***INTERNAL CONTROLS OVER REPORTING ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The City did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The City should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

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)

***BANK ACCOUNT RECONCILIATIONS***

Depository reconciliations of the fund balances to the bank account balances were conducted; however, the reconciliation did not balance. Each bank account is separately reconciled; however, no reconciliation for all accounts to the funds ledger is completed. At December 31, 2012, the reconciled bank balance exceeded the record balance by \$ 587 due to posting errors from October 2012.

CITY OF LOGANSPOUR  
AUDIT RESULTS AND COMMENTS  
(Continued)

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

**ERRORS ON CLAIMS**

A test of claims identified the following deficiencies related to services contracts:

The City entered into a contract with William-Lynn-James, Inc., for professional services to promote and enhance the City's ability to advance the City's concerns. The contract allows for a monthly retainer of \$3,600 and expenses for hotel, travel, state registration, federal registration, filing fees, state forfeitures, printing and postage as well as conference fees. Nine claims totaling \$56,299 were paid in 2012 on this contract. Five of the nine claims paid totaling \$7,827 had no supporting documentation attached to the claim to verify the cost had been incurred or portions of the attached invoice were blacked out, preventing an adequate analysis of the expenses reimbursed. In many instances, the invoices did not specify for whom meals or hotel rooms were purchased. We extended our review to include the claims paid to this vendor from January through July 2013. In 2013, William-Lynn-James, Inc., was paid a total of \$883,183. Of this total, \$20,914.85 was disbursed for hotels, meals, parking, airfare, and other professional services, including translators, without any supporting documentation attached to the claim. The balance, \$862,268, represented payments to conduct a Rate Stabilization Initiative Study which was covered under a separate contract.

The City entered into a service agreement with Ingraham and Associates to provide specific marketing, representation, information, and assistance for an annual retainer of \$30,000 to be paid monthly. Any additional hours of service over the 300 covered by the retainer would be billed at \$100 per hour. In 2012, \$1,495 was billed for airfare, hotels, and taxi service with no supporting documentation of the actual costs incurred. Claims for "additional services" totaling \$7,700 were paid in 2013 with no breakdown of hours worked and \$425 was paid for hotels with no supporting documentation of the actual costs incurred.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

CITY OF LOGANSPORT  
AUDIT RESULTS AND COMMENTS  
(Continued)

***DELINQUENT WASTEWATER ACCOUNTS***

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

(1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:

(A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent.

(B) A description of the premises, as shown by the records of the county auditor.

(C) The amount of the delinquent fees, together with the penalty.

(2) An individual instrument for each lot or parcel of real property on which the fees are delinquent.

(c) The officer shall record a copy of each list or each individual instrument with the county recorder . . .

(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May."

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF LOGANSPOUR, CASS COUNTY, INDIANA

***Report on Compliance for Each Major Federal Program***

We have audited the City of Logansport's (City) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2012. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2012.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

***Report on Internal Control Over Compliance***

Management of the City is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the type of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program 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.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 over compliance 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 2012-03 to be material weaknesses.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Bruce Hartman  
State Examiner

September 26, 2013

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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 LOGANSPORT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2012

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of the Interior</u>				
Outdoor Recreation - Acquisition, Development and Planning	Indiana Department of Natural Resources	15.916	E-10-8-S06	\$ 101,699
Harry H. Huston Sports Center and Nature Preserve		15.916	E10-9-S07	116,986
Phase II Huston Park				<u>218,685</u>
Total - Department of the Interior				<u>218,685</u>
<u>Department of Justice</u>				
Bulletproof Vest Partnership Program	Direct Grant	16.607	FY 2011	1,103
Bullet Proof Vest Fund				<u>1,103</u>
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster	Indiana Department of Transportation	20.205	EDS As249-09-32093	281,261
Highway Planning and Construction				
Chase Road Project				
Highway Safety Cluster	Indiana Criminal Justice Institute	20.602	032NHTSA4062012	3,534
Occupant Protection Incentive Grants				
Operation Pullover Blitz				
Total - Department of Transportation				<u>284,795</u>
Total federal awards expended				<u>\$ 504,583</u>

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

CITY OF LOGANSPORT  
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 Logansport 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 LOGANSPORT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major program:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	yes

Identification of Major Program:

\_\_\_\_\_  
Name of Federal Program or Cluster

Highway Planning and Construction Cluster

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

Auditee qualified as low-risk auditee? no

**Section II – Financial Statement Findings**

**FINDING 2012-01 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

We noted several deficiencies in the internal control system of the City related to financial transactions and reporting. We believe the following deficiencies constitute material weaknesses:

1. Preparing Financial Statements: Effective internal control over financial reporting involves the identification and analysis of the risks of material misstatement to the City's audited financial statement and then determining how those identified risks should be managed. The City has not identified risks to the preparation of a 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. In addition, City Management has not established controls over the final review of the financial statement after compilation.

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

2. Reconciliation: The City has not identified risks to the reconciliation of City funds to bank and investment balances and as a result has failed to design effective controls over the reconciliation process to prevent or detect material misstatements. Specifically, while adequate segregation of duties exists to provide separate reconciliations for each bank account, there is no final reconciliation of combined cash and investment balances to the total funds balance. In addition, there should be a review of the combined bank reconciliation to funds balances for accuracy and completeness by someone other than the person preparing it.

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)

***FINDING 2012-02 - INTERNAL CONTROLS OVER REPORTING ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS***

The City did not have a proper system of internal control in place to prevent or detect and correct errors on the Schedule of Expenditures of Federal Awards (SEFA). The City should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

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)

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

***FINDING 2012-03 - INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO HIGHWAY PLANNING AND CONSTRUCTION***

Federal Agency: Department of Transportation  
Federal Program: Highway Planning and Construction  
CFDA Number: 20.205  
Federal Award Number and Year (or Other Identifying Number): EDS AS249-09-32093  
Pass-Through Entity: Indiana Department of Transportation

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

Management of the City of Logansport has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements that have a direct and material effect to the program: Activities Allowed or Unallowed, Allowable Costs/ Cost Principals, Matching, Period of Availability, and Reporting. The failure to establish an effective internal control system places the City at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the grant.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

OMB Circular A-133, Subpart C, section .300 states in part:

"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."

The failure to establish internal controls could enable material noncompliance to go undetected. Non-compliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the City.

We recommended that the City's management establish controls, including segregation of duties, related to the grant agreement and the compliance requirements noted above that have a direct and material effect to the program.



**CAROL SUE HAYWORTH  
CITY OF LOGANSPORT – CLERK/TREASURER**

**CORRECTIVE ACTION PLAN**

**Finding 2012-01, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING**

**Finding 2012-02, INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING\_SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The City of Logansport will assess their procedures and attempt to institute processes that will allow for proper internal controls over the financial reporting of the financial statements and the Schedule of Expenditures of Federal Awards. In addition, controls will be instituted to allow effective control over the reconciliation process.

**Finding 2012-03, INTERNAL CONTROLS OVER COMPLIANCE REQUIREMENTS THAT HAVE A DIRECT AND MATERIAL EFFECT TO HIGHWAY PLANNING AND CONSTRUCTION**

FEDERAL AGENCY: Department of Transportation

FEDERAL PROGRAM: Highway Planning and Construction

CFDA NUMBER: 20.205

FEDERAL AWARD NUMBER: EDS A249-09-32093

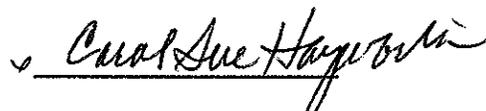
PASS-THROUGH ENTITY: Indiana Department of Transportation

AUDITEE CONTACT PERSON: Carol Sue Hayworth

CONTACT PERSON TITLE: Clerk Treasurer

CONTACT PERSON NUMBER: (574) 753-4745

The City of Logansport will require the identification and reporting of all awards received as soon as possible to the City Clerk Treasurer. From that point, a copy of all documentation regarding that award shall be presented to the Office of the City Clerk Treasurer as soon as received by the recipient. All Department Heads will be notified of this change. A full time employee will be designated to oversee the grant files.



**Carol Sue Hayworth, Clerk Treasurer**



CITY OF LOGANSPORT  
EXIT CONFERENCE

The contents of this report were discussed on September 26, 2013, with Carol Sue Hayworth, Clerk-Treasurer; Joe Buck, President of the City Council; Paul Hartman, Superintendent of Utilities; and LuAnn Davis, Utility Office Manager. The officials concurred with our audit findings.