

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, 2012 to December 31, 2012



FILED
12/30/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Controller	Monica L. Harmon Amy M. Deering	01-01-12 to 03-07-13 03-08-13 to 12-31-13
Mayor	Mike Moore	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Mike Moore	01-01-12 to 12-31-15
President of the Common Council	Edward Zastawny Connie Sellers	01-01-12 to 12-31-12 01-01-13 to 12-31-13
Superintendent of Wastewater Utility	Len Ashack	01-01-12 to 12-31-13
Utility Office Manager	Rick Stephenson Elisha Dale	01-01-12 to 12-31-12 01-01-13 to 12-31-13



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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statement

We were engaged to audit the accompanying financial statement of the City of Jeffersonville (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 conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

The City's depository balances do not reconcile to its accounting record balances. The reconciliations presented for audit contained numerous material reconciling items that could not be identified. Because the City did not properly maintain its accounting records, the records do not permit the application of other auditing procedures to ascertain if the financial statement is fairly stated.

Disclaimer of Opinion

Because of the significance of the matter discussed in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on this financial statement.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 17, 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. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* paragraph, it is inappropriate to and we do not express an opinion on the Schedule of Expenditures of Federal Awards referred to above.

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, and Schedule of Leases and Debt, 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 auditing procedures and, accordingly, we express no opinion on them.


Paul D. Joyce, CPA
State Examiner

October 17, 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 JEFFERSONVILLE, CLARK COUNTY, INDIANA

We were engaged to 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, the financial statement of the City of Jeffersonville (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 October 17, 2013. The opinion to the financial statement was disclaimed due to City not properly maintaining accounting records.

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 2012-1, 2012-2, and 2012-3 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 determination of financial statement amounts. However, providing an opinion on compliance with those

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)

provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2012-2 and 2012-3.

City of Jeffersonville'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.


Paul D. Joyce, CPA
State Examiner

October 17, 2013

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 JEFFERSONVILLE
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	\$ 1,792,902	\$ 24,725,466	\$ 24,326,282	\$ 2,192,086
MOTOR VEHICLE HIGHWAY	229,869	1,056,467	632,779	653,557
LOCAL ROAD & STREET	213,979	433,530	200,081	447,428
ANIMAL SHEL. SPAY/NEU PRO	60,648	57,030	54,081	63,597
SANITATION	1,425,240	2,033,228	2,495,298	963,170
LAW ENFORCEMENT CONT. ED.	14,480	45,525	60,005	-
CLERKS RECORD PERPETUAT	2,496	2,276	-	4,772
CITY ATTORNEY DIVERSN FND	-	3,340	-	3,340
UNSAFE BLDG/DEMOLITION NR	98,505	61,046	45,733	113,818
SHARE OF GAMING REVENUES	349,909	274,538	277,798	346,649
PARK & RECREATION	1,558,736	2,142,680	2,776,249	925,167
JEFFERSONVILLE USER FEE	-	15,980	-	15,980
RAINY DAY FUND	4,658,364	-	-	4,658,364
ECONOMIC DEV INCOME TAX	1,474,422	2,143,969	1,842,409	1,775,982
LEVY EXCESS FUND	-	1,003,337	-	1,003,337
REDEV REVOLVING LOAN	216,011	41,012	654	256,369
MAJOR MOVES	6,787	6,000	12,787	-
CERTIFIED TECHNOLOGY	1,103,972	1,264,755	1,279,183	1,089,544
PROBATION USER FEE	3,839	183,570	187,031	378
CUM. CAPITAL DEVELOPMENT	492,958	158,560	38,359	613,159
REDEVELOPMENT	-	267,059	267,059	-
POLICE NON-REVERTING FUND	-	69,468	-	69,468
REDEVELOPMENT OPERATING	838,662	477,777	623,479	692,960
CUM. CAPITAL IMPROVEMENT	290,314	119,227	-	409,541
NON-REVERTING HEALTH INS.	281,795	6,158,943	5,897,106	543,632
POLICE PENSION	491,352	890,506	928,308	453,550
FIRE PENSION	647,699	1,184,409	1,202,580	629,528
CITY COURT NON REVERTING	247,069	24,925	82,760	189,234
PUBLIC SAFETY - LOIT	2,001,253	2,059,420	3,155,728	904,945
PAYROLL	289	20,531,107	20,527,973	3,423
STREET DEPT NON-REVERT	69,854	99,974	58,243	111,585
INDOT AND JEFF CITY	55,191	-	55,191	-
FIRE DEPARTMENT NON-REVERTING	7	33,144	31,109	2,042
YOUTH FOOTBALL LEAGUE	13,179	99,668	48,121	64,726
JAG RECOVERY ACT GRANT	-	6,451	6,451	-
09 JAG FORMULA GRANT	-	5,698	5,698	-
ANIMAL BLDG & CAP IMP.N/R	181	-	181	-
MAYOR'S NON-REVERTING	52	-	52	-
P & R BOARD N/R AQUATIC	557	359,345	359,902	-
JEFF RIVERFR PARK N/R	35,045	31,310	66,355	-
PARK SPEC. NON-REVERTING	121,931	160,664	282,579	16
CITY ENGINEER NON-REV.	40,839	-	-	40,839
DUFFY'S LANDING DOCKS	17	-	17	-
PARTNERSHIP PROGRAM FUND	7,382	-	7,382	-
CASH CHANGE	660	-	-	660
PETTY CASH	953	-	-	953
PARK TROLLEY OPS NON-REV	27,968	4,600	32,568	-
JUVENILE JUSTICE GRANT	-	24,000	18,000	6,000
JUSTICE ASSISTANCE GRANT	76	-	76	-
VISSING CONST RETAIN AML	-	262,728	-	262,728
JAG GRANT 2010	2,000	7,475	9,259	216
VISSING PARK CONSTRUCT NR	-	6,753,080	4,293,790	2,459,290
RIVERSTAGE	57,480	238,626	296,106	-
2012 JAG FORMULA GRANT	-	12,345	12,345	-
GRANT-PORT SEC-JPD BOAT	-	161,528	161,528	-
GRANT-PORT SEC-JPD CAMERA	-	130,000	130,000	-
GRANT-PORT SEC-JPD BEARCA	-	192,786	192,786	-
COPS TECHNOLOGY GRANT	-	248,792	249,042	(250)
FEMA GRANT - TRAINING	-	76,903	117,615	(40,712)
GRANT - JFD PORT SECURITY	-	36,200	-	36,200
GRANT - YOUTH COALITION	-	11,500	15,336	(3,836)

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, 2012
(Continued)

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
VEHICLE MAIN FUEL & REP	(406)	1,167,446	1,054,622	112,418
JEFF PARK AND RIDE	-	15,267	15,267	-
DONATIONS	151,312	99,541	161,733	89,120
BEAUTIFICATION NON/REV	7,611	21,640	27,004	2,247
THUNDER COMMITTEE NON-REV	34,453	28,329	24,363	38,419
NON-REV FLOATING STAGE	687	-	687	-
SPRINT LEASE NON REVERTIN	73,505	14,064	17,680	69,889
ECONOMIC DEV ABATEMENT	20,840	-	-	20,840
JEFF T.I.F. (REPLACEMENT)	3,562	1,738	5,300	-
TIF63-VOGT VALVE ALLOC	890,361	738,833	497,525	1,131,669
TIF64-GALVSTAR ALLOC	743,139	510,333	494,483	758,989
TIF66-KEYSTONE ALLOC	400,229	223,258	97,435	526,052
TIF67-BETHNOVA ALLOC	405,926	152,655	228,600	329,981
DEPARTMENT OF LAW N/R	9,666	-	-	9,666
TIF5761-ICR ALLOC	1,899,397	8,237,133	5,646,092	4,490,438
TIF62-HARB FALLS ALLOC	(81,214)	2,893,457	3,331,645	(519,402)
TIF-SALEM RD UTICA TWP JE	192	-	192	-
FEDERAL ASSET FORFEITURE	74,352	1,106	57,098	18,360
JEFF POLICE FORFEITURE	19,676	-	6,711	12,965
POLICE SWAT NON/REVERTING	16,359	-	16,359	-
POLICE AUTOMOBILE N/R	29,648	32,560	62,208	-
REDEVELOPMENT CASI	443,391	165,000	103,883	504,508
REDEVELOPMENT GRANTS	40,390	773,445	715,036	98,799
REDEV CITY HALL BOND	299,500	16	-	299,516
REDEV VETERAN PKWY BOND	821,501	982	29,851	792,632
REDEV VETERANS PKWY RETAI	129,769	107	-	129,876
SIDEWALK RENOVATION N/R	3,033	13,177	5,037	11,173
COURT COST DUE COUNTY	9,222	21,732	29,112	1,842
CITY COURT FUND	232,687	660,320	621,115	271,892
CONTINUING EDUCATION	33,719	4,040	543	37,216
JEFF BLDG AUT OPER N/R	81,699	-	-	81,699
FEDERAL GRANTS	(147,214)	-	-	(147,214)
JEFF BLDG AUT CAP IMP RES	186,834	-	52,919	133,915
WW OPERATING & MAINT.	1,057,322	13,932,956	13,895,294	1,094,984
EAST END BRIDGE PROJECT	-	-	315	(315)
WW SINKING FUND	207,142	2,749,541	2,747,086	209,597
WW CUMULATIVE IMPROVE	269,456	1,132,816	647,284	754,988
WW SRF SINKING	482,965	2,540,400	2,236,962	786,403
WW DEBT SERVICE RESERVE	2,705,933	755,076	-	3,461,009
WW 2005 CONSTRUCTION	1,084,205	250,720	779,028	555,897
WW 2010 BAB Construction	10,363,993	26,785	3,539,164	6,851,614
WW 2009 SRF CONSTRUCTION	(101,961)	702,006	607,760	(7,715)
WW 2010 CONSTRUCTION	-	122,928	122,928	-
WW 2010 CONSTRUCTION BAN	(407)	-	-	(407)
WW ARRA Grant	67	-	-	67
WW CASH CHANGE	300	-	-	300
WW PETTY CASH	400	-	-	400
WW 2010C CONSTRUCTION	418	20	-	438
WW SRF 2011A CONSTRUCTION	(639,660)	12,466,845	11,931,968	(104,783)
WW SRF 2011B CONSTRUCTION	-	568,731	574,632	(5,901)
WW IOCRA-8TH ST SEW SEP	(216,404)	641,604	425,200	-
WW RET-8TH ST SEW SEP	56,778	20,281	77,059	-
WW SRF 2011C CONSTRUCTION	-	10,330,863	10,398,059	(67,196)
WW SRF 2012 CONSTRUCTION	-	11,865,000	103,036	11,761,964
WW CAPACITY FEE	-	805,947	-	805,947
DRAINAGE OPERATING	1,438,503	1,387,367	1,414,400	1,411,470
DRAINAGE SINKING	21,441	246,086	266,612	915
Totals	\$ 42,499,239	\$ 152,714,118	\$ 136,432,741	\$ 58,780,616

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 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 Indiana 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, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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

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

Penalties which include fees received for late payments.

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

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

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

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

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

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

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

CITY OF 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 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

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.

Note 7. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of the reimbursement 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 Jeffersonville 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 \$918,000.

Note 9. Subsequent Events

The City issued Tax Increment Revenue Bonds of 2013 in the total amount of \$22,255,000 for the purposes of the construction of a stormwater conveyance improvement project and the design, construction, equipping, and furnishing of a new police headquarters.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 10. Other Postemployment Benefits

The City provides to eligible retirees and their spouses the following benefit: health insurance. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

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 JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	ANIMAL SHEL. SPAY/NEU PRO	SANITATION	LAW ENFORCEMENT CONT. ED.	CLERKS RECORD PERPETUAT
Cash and investments - beginning	\$ 1,792,902	\$ 229,869	\$ 213,979	\$ 60,648	\$ 1,425,240	\$ 14,480	\$ 2,496
Receipts:							
Taxes	16,768,671	-	-	-	1,898,676	-	-
Licenses and permits	532,141	11,440	-	-	-	13,360	-
Intergovernmental	6,053,917	1,042,609	402,242	-	14,117	-	-
Charges for services	154,910	2,418	-	57,030	13,485	32,165	2,276
Fines and forfeits	71,952	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>1,143,875</u>	<u>-</u>	<u>31,288</u>	<u>-</u>	<u>106,950</u>	<u>-</u>	<u>-</u>
Total receipts	<u>24,725,466</u>	<u>1,056,467</u>	<u>433,530</u>	<u>57,030</u>	<u>2,033,228</u>	<u>45,525</u>	<u>2,276</u>
Disbursements:							
Personal services	15,395,063	-	-	-	1,537,264	-	-
Supplies	548,682	618,259	200,081	-	332,932	-	-
Other services and charges	2,684,937	14,520	-	54,081	625,102	29,578	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	110,100	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	<u>5,587,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,427</u>	<u>-</u>
Total disbursements	<u>24,326,282</u>	<u>632,779</u>	<u>200,081</u>	<u>54,081</u>	<u>2,495,298</u>	<u>60,005</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>399,184</u>	<u>423,688</u>	<u>233,449</u>	<u>2,949</u>	<u>(462,070)</u>	<u>(14,480)</u>	<u>2,276</u>
Cash and investments - ending	<u>\$ 2,192,086</u>	<u>\$ 653,557</u>	<u>\$ 447,428</u>	<u>\$ 63,597</u>	<u>\$ 963,170</u>	<u>\$ -</u>	<u>\$ 4,772</u>

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

	CITY ATTORNEY DIVERSN FND	UNSAFE BLDG/DEMOLITION NR	SHARE OF GAMING REVENUES	PARK & RECREATION	JEFFERSONVILLE USER FEE	RAINY DAY FUND	ECONOMIC DEV INCOME TAX
Cash and investments - beginning	\$ -	\$ 98,505	\$ 349,909	\$ 1,558,736	\$ -	\$ 4,658,364	\$ 1,474,422
Receipts:							
Taxes	-	-	-	1,910,129	-	-	-
Licenses and permits	-	25,792	-	-	-	-	-
Intergovernmental	-	-	274,538	134,031	-	-	2,120,819
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	3,340	-	-	-	15,980	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	35,254	-	98,520	-	-	23,150
Total receipts	<u>3,340</u>	<u>61,046</u>	<u>274,538</u>	<u>2,142,680</u>	<u>15,980</u>	<u>-</u>	<u>2,143,969</u>
Disbursements:							
Personal services	-	-	-	943,630	-	-	-
Supplies	-	-	-	153,814	-	-	-
Other services and charges	-	45,733	77,798	187,124	-	-	79,915
Debt service - principal and interest	-	-	-	342,500	-	-	-
Capital outlay	-	-	-	149,181	-	-	739,494
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	200,000	1,000,000	-	-	1,023,000
Total disbursements	<u>-</u>	<u>45,733</u>	<u>277,798</u>	<u>2,776,249</u>	<u>-</u>	<u>-</u>	<u>1,842,409</u>
Excess (deficiency) of receipts over disbursements	<u>3,340</u>	<u>15,313</u>	<u>(3,260)</u>	<u>(633,569)</u>	<u>15,980</u>	<u>-</u>	<u>301,560</u>
Cash and investments - ending	<u>\$ 3,340</u>	<u>\$ 113,818</u>	<u>\$ 346,649</u>	<u>\$ 925,167</u>	<u>\$ 15,980</u>	<u>\$ 4,658,364</u>	<u>\$ 1,775,982</u>

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

	LEVY EXCESS FUND	REDEV REVOLVING LOAN	MAJOR MOVES	CERTIFIED TECHNOLOGY	PROBATION USER FEE	CUM. CAPITAL DEVELOPMENT	REDEVELOPMENT
Cash and investments - beginning	\$ -	\$ 216,011	\$ 6,787	\$ 1,103,972	\$ 3,839	\$ 492,958	\$ -
Receipts:							
Taxes	-	-	-	358,486	-	152,709	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	1,003,337	-	-	-	-	1,135	-
Charges for services	-	-	-	-	183,570	-	-
Fines and forfeits	-	-	6,000	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	41,012	-	906,269	-	4,716	267,059
Total receipts	1,003,337	41,012	6,000	1,264,755	183,570	158,560	267,059
Disbursements:							
Personal services	-	-	-	-	159,596	-	226,155
Supplies	-	-	-	-	8,389	-	-
Other services and charges	-	654	-	-	15,721	-	3,712
Debt service - principal and interest	-	-	-	920,697	-	-	-
Capital outlay	-	-	-	-	3,325	38,359	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	12,787	358,486	-	-	37,192
Total disbursements	-	654	12,787	1,279,183	187,031	38,359	267,059
Excess (deficiency) of receipts over disbursements	1,003,337	40,358	(6,787)	(14,428)	(3,461)	120,201	-
Cash and investments - ending	\$ 1,003,337	\$ 256,369	\$ -	\$ 1,089,544	\$ 378	\$ 613,159	\$ -

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

	POLICE NON-REVERTING FUND	REDEVELOPMENT OPERATING	CUM. CAPITAL IMPROVEMENT	NON-REVERTING HEALTH INS.	POLICE PENSION	FIRE PENSION	CITY COURT NON REVERTING
Cash and investments - beginning	\$ -	\$ 838,662	\$ 290,314	\$ 281,795	\$ 491,352	\$ 647,699	\$ 247,069
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	119,227	-	-	-	-
Charges for services	-	-	-	-	890,506	1,184,004	-
Fines and forfeits	-	-	-	-	-	-	24,925
Utility fees	-	-	-	-	-	-	-
Other receipts	69,468	477,777	-	6,158,943	-	405	-
Total receipts	69,468	477,777	119,227	6,158,943	890,506	1,184,409	24,925
Disbursements:							
Personal services	-	40,905	-	-	926,282	1,200,899	1,639
Supplies	-	13,035	-	-	2,026	1,499	-
Other services and charges	-	442,132	-	5,897,106	-	182	81,121
Debt service - principal and interest	-	72,407	-	-	-	-	-
Capital outlay	-	15,000	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	40,000	-	-	-	-	-
Total disbursements	-	623,479	-	5,897,106	928,308	1,202,580	82,760
Excess (deficiency) of receipts over disbursements	69,468	(145,702)	119,227	261,837	(37,802)	(18,171)	(57,835)
Cash and investments - ending	\$ 69,468	\$ 692,960	\$ 409,541	\$ 543,632	\$ 453,550	\$ 629,528	\$ 189,234

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

	PUBLIC SAFETY - LOIT	PAYROLL	STREET DEPT NON-REVERT	INDOT AND JEFF CITY	FIRE DEPARTMENT NON-REVERTING	YOUTH FOOTBALL LEAGUE	JAG RECOVERY ACT GRANT
Cash and investments - beginning	\$ 2,001,253	\$ 289	\$ 69,854	\$ 55,191	\$ 7	\$ 13,179	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	2,059,420	-	-	-	-	-	6,451
Charges for services	-	-	-	-	33,144	8,672	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	20,531,107	99,974	-	-	90,996	-
Total receipts	<u>2,059,420</u>	<u>20,531,107</u>	<u>99,974</u>	<u>-</u>	<u>33,144</u>	<u>99,668</u>	<u>6,451</u>
Disbursements:							
Personal services	-	20,527,973	-	-	30,708	-	-
Supplies	-	-	-	-	-	33,550	-
Other services and charges	443,352	-	58,243	55,191	-	11,586	6,451
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	2,712,376	-	-	-	401	2,985	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>3,155,728</u>	<u>20,527,973</u>	<u>58,243</u>	<u>55,191</u>	<u>31,109</u>	<u>48,121</u>	<u>6,451</u>
Excess (deficiency) of receipts over disbursements	<u>(1,096,308)</u>	<u>3,134</u>	<u>41,731</u>	<u>(55,191)</u>	<u>2,035</u>	<u>51,547</u>	<u>-</u>
Cash and investments - ending	<u>\$ 904,945</u>	<u>\$ 3,423</u>	<u>\$ 111,585</u>	<u>\$ -</u>	<u>\$ 2,042</u>	<u>\$ 64,726</u>	<u>\$ -</u>

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

	09 JAG FORMULA GRANT	ANIMAL BLDG & CAP IMP. N/R	MAYOR'S NON-REVERTING	P & R BOARD N/R AQUATIC	JEFF RIVERFR PARK N/R	PARK SPEC. NON-REVERTING	CITY ENGINEER NON-REV.
Cash and investments - beginning	\$ -	\$ 181	\$ 52	\$ 557	\$ 35,045	\$ 121,931	\$ 40,839
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	5,698	-	-	-	-	-	-
Charges for services	-	-	-	273,133	-	159,596	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	86,212	31,310	1,068	-
Total receipts	<u>5,698</u>	<u>-</u>	<u>-</u>	<u>359,345</u>	<u>31,310</u>	<u>160,664</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	200,578	2,174	-	-
Supplies	-	-	-	94,849	-	64,999	-
Other services and charges	-	-	-	52,056	-	182,268	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	11,936	9,689	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	5,698	181	52	483	54,492	35,312	-
Total disbursements	<u>5,698</u>	<u>181</u>	<u>52</u>	<u>359,902</u>	<u>66,355</u>	<u>282,579</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(181)</u>	<u>(52)</u>	<u>(557)</u>	<u>(35,045)</u>	<u>(121,915)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16</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, 2012
 (Continued)

	DUFFY'S LANDING DOCKS	PARTNERSHIP PROGRAM FUND	CASH CHANGE	PETTY CASH	PARK TROLLEY OPS NON-REV	JUVENILE JUSTICE GRANT	JUSTICE ASSISTANCE GRANT
Cash and investments - beginning	\$ 17	\$ 7,382	\$ 660	\$ 953	\$ 27,968	\$ -	\$ 76
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	24,000	-
Charges for services	-	-	-	-	4,600	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-
Total receipts	-	-	-	-	4,600	24,000	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	5,680	-	-	10,532	18,000	76
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	17	1,702	-	-	22,036	-	-
Total disbursements	17	7,382	-	-	32,568	18,000	76
Excess (deficiency) of receipts over disbursements	(17)	(7,382)	-	-	(27,968)	6,000	(76)
Cash and investments - ending	\$ -	\$ -	\$ 660	\$ 953	\$ -	\$ 6,000	\$ -

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

	VISSING CONST RETAIN AML	JAG GRANT 2010	VISSING PARK CONSTRUCT NR	RIVERSTAGE	2012 JAG FORMULA GRANT	GRANT-PORT SEC-JPD BOAT	GRANT-PORT SEC-JPD CAMERA
Cash and investments - beginning	\$ -	\$ 2,000	\$ -	\$ 57,480	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	7,475	-	-	12,345	161,528	130,000
Charges for services	-	-	-	12,000	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	<u>262,728</u>	<u>-</u>	<u>6,753,080</u>	<u>226,626</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>262,728</u>	<u>7,475</u>	<u>6,753,080</u>	<u>238,626</u>	<u>12,345</u>	<u>161,528</u>	<u>130,000</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	18,820	12,345	-	-
Other services and charges	-	9,259	265,473	245,909	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	4,028,317	-	-	161,528	130,000
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	31,377	-	-	-
Total disbursements	<u>-</u>	<u>9,259</u>	<u>4,293,790</u>	<u>296,106</u>	<u>12,345</u>	<u>161,528</u>	<u>130,000</u>
Excess (deficiency) of receipts over disbursements	<u>262,728</u>	<u>(1,784)</u>	<u>2,459,290</u>	<u>(57,480)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 262,728</u>	<u>\$ 216</u>	<u>\$ 2,459,290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	GRANT-PORT SEC-JPD BEARCA	COPS TECHNOLOGY GRANT	FEMA GRANT - TRAINING	GRANT - JFD PORT SECURITY	GRANT - YOUTH COALITION	VEHICLE MAIN FUEL & REP	JEFF PARK AND RIDE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (406)	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	192,786	248,792	76,903	36,200	11,500	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	1,167,446	15,267
Total receipts	<u>192,786</u>	<u>248,792</u>	<u>76,903</u>	<u>36,200</u>	<u>11,500</u>	<u>1,167,446</u>	<u>15,267</u>
Disbursements:							
Personal services	-	-	39,980	-	-	-	-
Supplies	-	-	40,334	-	15,336	1,054,622	-
Other services and charges	-	49,101	37,301	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	192,786	199,941	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	15,267
Total disbursements	<u>192,786</u>	<u>249,042</u>	<u>117,615</u>	<u>-</u>	<u>15,336</u>	<u>1,054,622</u>	<u>15,267</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>(250)</u>	<u>(40,712)</u>	<u>36,200</u>	<u>(3,836)</u>	<u>112,824</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ (250)</u>	<u>\$ (40,712)</u>	<u>\$ 36,200</u>	<u>\$ (3,836)</u>	<u>\$ 112,418</u>	<u>\$ -</u>

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

	DONATIONS	BEAUTIFICATION NON/REV	THUNDER COMMITTEE NON-REV	NON-REV FLOATING STAGE	SPRINT LEASE NON REVERTIN	ECONOMIC DEV ABATEMENT	JEFF T.I.F. (REPLACEMENT)
Cash and investments - beginning	\$ 151,312	\$ 7,611	\$ 34,453	\$ 687	\$ 73,505	\$ 20,840	\$ 3,562
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	99,541	21,640	28,329	-	14,064	-	1,738
Total receipts	99,541	21,640	28,329	-	14,064	-	1,738
Disbursements:							
Personal services	-	-	16,682	-	-	-	-
Supplies	-	-	4,270	-	-	-	-
Other services and charges	161,733	27,004	3,411	-	-	-	1,738
Debt service - principal and interest	-	-	-	-	1,000	-	-
Capital outlay	-	-	-	-	16,680	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	687	-	-	3,562
Total disbursements	161,733	27,004	24,363	687	17,680	-	5,300
Excess (deficiency) of receipts over disbursements	(62,192)	(5,364)	3,966	(687)	(3,616)	-	(3,562)
Cash and investments - ending	\$ 89,120	\$ 2,247	\$ 38,419	\$ -	\$ 69,889	\$ 20,840	\$ -

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

	TIF63-VOGT VALVE ALLOC	TIF64-GALVSTAR ALLOC	TIF66-KEYSTONE ALLOC	TIF67-BETHNOVA ALLOC	DEPARTMENT OF LAW N/R	TIF5761-ICR ALLOC	TIF62-HARB FALLS ALLOC
Cash and investments - beginning	\$ 890,361	\$ 743,139	\$ 400,229	\$ 405,926	\$ 9,666	\$ 1,899,397	\$ (81,214)
Receipts:							
Taxes	738,833	510,333	223,258	152,655	-	7,130,009	2,883,744
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	342,500	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	764,624	9,713
Total receipts	<u>738,833</u>	<u>510,333</u>	<u>223,258</u>	<u>152,655</u>	<u>-</u>	<u>8,237,133</u>	<u>2,893,457</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	206,525	168,405	27,040	60,495	-	8,060	2,100
Debt service - principal and interest	291,000	326,078	27,702	168,105	-	1,070,451	770,002
Capital outlay	-	-	42,693	-	-	4,567,581	2,559,543
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>497,525</u>	<u>494,483</u>	<u>97,435</u>	<u>228,600</u>	<u>-</u>	<u>5,646,092</u>	<u>3,331,645</u>
Excess (deficiency) of receipts over disbursements	<u>241,308</u>	<u>15,850</u>	<u>125,823</u>	<u>(75,945)</u>	<u>-</u>	<u>2,591,041</u>	<u>(438,188)</u>
Cash and investments - ending	<u>\$ 1,131,669</u>	<u>\$ 758,989</u>	<u>\$ 526,052</u>	<u>\$ 329,981</u>	<u>\$ 9,666</u>	<u>\$ 4,490,438</u>	<u>\$ (519,402)</u>

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

	TIF-SALEM RD UTICA TWP JE	FEDERAL ASSET FORFEITURE	JEFF POLICE FORFEITURE	POLICE SWAT NON/REVERTING	POLICE AUTOMOBILE N/R	REDEVELOPMENT CASI
Cash and investments - beginning	\$ 192	\$ 74,352	\$ 19,676	\$ 16,359	\$ 29,648	\$ 443,391
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	1,106	-	-	-	-
Charges for services	-	-	-	-	32,560	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	-	165,000
Total receipts	-	1,106	-	-	32,560	165,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	57,098	-	-	-	64,813
Debt service - principal and interest	-	-	-	-	-	39,070
Capital outlay	-	-	6,711	15,356	30,564	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	192	-	-	1,003	31,644	-
Total disbursements	192	57,098	6,711	16,359	62,208	103,883
Excess (deficiency) of receipts over disbursements	(192)	(55,992)	(6,711)	(16,359)	(29,648)	61,117
Cash and investments - ending	\$ -	\$ 18,360	\$ 12,965	\$ -	\$ -	\$ 504,508

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

	REDEVELOPMENT GRANTS	REDEV CITY HALL BOND	REDEV VETERAN PKWY BOND	REDEV VETERANS PKWY RETAI	SIDEWALK RENOVATION N/R	COURT COST DUE COUNTY
Cash and investments - beginning	\$ 40,390	\$ 299,500	\$ 821,501	\$ 129,769	\$ 3,033	\$ 9,222
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	663,011	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	21,732
Utility fees	-	-	-	-	-	-
Other receipts	<u>110,434</u>	<u>16</u>	<u>982</u>	<u>107</u>	<u>13,177</u>	<u>-</u>
Total receipts	<u>773,445</u>	<u>16</u>	<u>982</u>	<u>107</u>	<u>13,177</u>	<u>21,732</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	29,112
Other services and charges	-	-	175	-	5,037	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	29,676	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>715,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>715,036</u>	<u>-</u>	<u>29,851</u>	<u>-</u>	<u>5,037</u>	<u>29,112</u>
Excess (deficiency) of receipts over disbursements	<u>58,409</u>	<u>16</u>	<u>(28,869)</u>	<u>107</u>	<u>8,140</u>	<u>(7,380)</u>
Cash and investments - ending	<u>\$ 98,799</u>	<u>\$ 299,516</u>	<u>\$ 792,632</u>	<u>\$ 129,876</u>	<u>\$ 11,173</u>	<u>\$ 1,842</u>

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

	CITY COURT FUND	CONTINUING EDUCATION	JEFF BLDG AUT OPER N/R	FEDERAL GRANTS	JEFF BLDG AUT CAP IMP RES	WW OPERATING & MAINT.
Cash and investments - beginning	\$ 232,687	\$ 33,719	\$ 81,699	\$ (147,214)	\$ 186,834	\$ 1,057,322
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	69,779
Charges for services	-	-	-	-	-	-
Fines and forfeits	660,320	-	-	-	-	-
Utility fees	-	-	-	-	-	13,491,613
Other receipts	-	4,040	-	-	-	371,564
Total receipts	660,320	4,040	-	-	-	13,932,956
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	543	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	52,919	331,020
Utility operating expenses	-	-	-	-	-	6,082,634
Other disbursements	621,115	-	-	-	-	7,481,640
Total disbursements	621,115	543	-	-	52,919	13,895,294
Excess (deficiency) of receipts over disbursements	39,205	3,497	-	-	(52,919)	37,662
Cash and investments - ending	<u>\$ 271,892</u>	<u>\$ 37,216</u>	<u>\$ 81,699</u>	<u>\$ (147,214)</u>	<u>\$ 133,915</u>	<u>\$ 1,094,984</u>

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

	EAST END BRIDGE PROJECT	WW SINKING FUND	WW CUMULATIVE IMPROVE	WW SRF SINKING	WW DEBT SERVICE RESERVE	WW 2005 CONSTRUCTION
Cash and investments - beginning	\$ -	\$ 207,142	\$ 269,456	\$ 482,965	\$ 2,705,933	\$ 1,084,205
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	352,638	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	14,796	-	-	-
Other receipts	-	2,396,903	1,118,020	2,540,400	755,076	250,720
Total receipts	-	2,749,541	1,132,816	2,540,400	755,076	250,720
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	175,618	-	-	779,028
Utility operating expenses	315	-	-	-	-	-
Other disbursements	-	2,747,086	471,666	2,236,962	-	-
Total disbursements	315	2,747,086	647,284	2,236,962	-	779,028
Excess (deficiency) of receipts over disbursements	(315)	2,455	485,532	303,438	755,076	(528,308)
Cash and investments - ending	\$ (315)	\$ 209,597	\$ 754,988	\$ 786,403	\$ 3,461,009	\$ 555,897

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

	WW 2010 BAB Construction	WW 2009 SRF CONSTRUCTION	WW 2010 CONSTRUCTION	WW 2010 CONSTRUCTION BAN	WW ARRA Grant	WW CASH CHANGE
Cash and investments - beginning	\$ 10,363,993	\$ (101,961)	\$ -	\$ (407)	\$ 67	\$ 300
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	<u>26,785</u>	<u>702,006</u>	<u>122,928</u>	-	-	-
Total receipts	<u>26,785</u>	<u>702,006</u>	<u>122,928</u>	-	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	3,539,164	607,760	122,928	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>3,539,164</u>	<u>607,760</u>	<u>122,928</u>	-	-	-
Excess (deficiency) of receipts over disbursements	<u>(3,512,379)</u>	<u>94,246</u>	-	-	-	-
Cash and investments - ending	<u>\$ 6,851,614</u>	<u>\$ (7,715)</u>	<u>\$ -</u>	<u>\$ (407)</u>	<u>\$ 67</u>	<u>\$ 300</u>

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

	WW PETTY CASH	WW 2010C CONSTRUCTION	WW SRF 2011A CONSTRUCTION	WW SRF 2011B CONSTRUCTION	WW IOCRA-8TH ST SEW SEP	WW RET-8TH ST SEW SEP
Cash and investments - beginning	\$ 400	\$ 418	\$ (639,660)	\$ -	\$ (216,404)	\$ 56,778
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	231,130	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	20	12,466,845	568,731	410,474	20,281
Total receipts	-	20	12,466,845	568,731	641,604	20,281
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	11,931,968	574,632	425,200	60,732
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	16,327
Total disbursements	-	-	11,931,968	574,632	425,200	77,059
Excess (deficiency) of receipts over disbursements	-	20	534,877	(5,901)	216,404	(56,778)
Cash and investments - ending	<u>\$ 400</u>	<u>\$ 438</u>	<u>\$ (104,783)</u>	<u>\$ (5,901)</u>	<u>\$ -</u>	<u>\$ -</u>

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

	WW SRF 2011C CONSTRUCTION	WW SRF 2012 CONSTRUCTION	WW CAPACITY FEE	DRAINAGE OPERATING	DRAINAGE SINKING	Totals
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 1,438,503	\$ 21,441	\$ 42,499,239
Receipts:						
Taxes	-	-	-	-	-	32,727,503
Licenses and permits	-	-	-	-	-	582,733
Intergovernmental	-	-	-	-	-	15,456,734
Charges for services	-	-	-	-	-	3,386,569
Fines and forfeits	-	-	-	-	-	804,249
Utility fees	-	-	805,947	1,344,891	-	15,657,247
Other receipts	<u>10,330,863</u>	<u>11,865,000</u>	<u>-</u>	<u>42,476</u>	<u>246,086</u>	<u>84,099,083</u>
Total receipts	<u>10,330,863</u>	<u>11,865,000</u>	<u>805,947</u>	<u>1,387,367</u>	<u>246,086</u>	<u>152,714,118</u>
Disbursements:						
Personal services	-	-	-	-	-	41,249,528
Supplies	-	-	-	-	-	3,246,954
Other services and charges	-	-	-	-	-	12,484,071
Debt service - principal and interest	-	-	-	-	-	4,029,012
Capital outlay	10,397,059	103,036	-	23,782	-	44,899,068
Utility operating expenses	-	-	-	1,144,618	-	7,227,567
Other disbursements	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>246,000</u>	<u>266,612</u>	<u>23,296,541</u>
Total disbursements	<u>10,398,059</u>	<u>103,036</u>	<u>-</u>	<u>1,414,400</u>	<u>266,612</u>	<u>136,432,741</u>
Excess (deficiency) of receipts over disbursements	<u>(67,196)</u>	<u>11,761,964</u>	<u>805,947</u>	<u>(27,033)</u>	<u>(20,526)</u>	<u>16,281,377</u>
Cash and investments - ending	<u>\$ (67,196)</u>	<u>\$ 11,761,964</u>	<u>\$ 805,947</u>	<u>\$ 1,411,470</u>	<u>\$ 915</u>	<u>\$ 58,780,616</u>

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

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 966,343	\$ 34,500
Wastewater	952,491	341,028
Drainage	-	2,767,819
	<u> </u>	<u> </u>
Totals	<u>\$ 1,918,834</u>	<u>\$ 3,143,347</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Ally Financial	2012 Cheverolet Silverado	\$ 11,331	07-20-12	07-20-15
County of Clark	Storage Room Lease	11,300	09-01-06	12-31-16
GMAC	Vehicle Lease	7,336	07-29-11	08-28-15
GMAC/Ally Financial	2012 Cheverolet Traverse	6,714	01-09-12	04-08-15
Ikon	Copier Lease Fire	4,464	08-13-09	08-13-14
Ikon	Copier Lease	10,999	11-09-09	11-09-14
New Washington Bank	Lease Purchase Garbage Truck	91,355	06-01-10	06-01-15
New Washington Bank	Lease Purchase Two Freightliner Packers	67,260	09-04-12	03-25-17
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
Republic Bank	Lease Purchase Police Cameras in Vehicles	36,546	12-01-09	12-01-13
Republic Bank	Lease Purchase Fire Truck	129,795	02-13-09	02-13-17
Republic Bank	Lease Purchase 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 Garbage Truck	48,636	06-01-09	06-01-13
Toshiba	Copier - Fire	7,575	11-21-11	02-21-15
Toshiba	Copier Lease	7,861	09-30-11	12-31-14
Steel Dynamics Inc.	Lease Galpro/ Steel Dynamics	90,900	07-01-05	01-01-14
Redevelopment Authority	Lease Rental Riverside Landing	201,589	01-01-05	01-01-16
Redevelopment Authority	Lease Rental Aquatic Center	333,300	02-01-10	02-01-22
Jeffersonville Building Corporation	Lease Rental Firestation #2	332,881	02-01-07	08-01-26
Jeffersonville Building Corporation	Lease Rental Firestation #4	178,444	02-01-07	08-01-26
Jeffersonville Building Corporation	Lease Rental City Services Facility	<u>387,625</u>	02-01-07	08-01-26
Total governmental activities		<u>2,349,421</u>		
Wastewater:				
Caterpillar Financial Services Corp	CT660 Caterpillar Truck	30,421	09-26-12	10-26-17
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 Two Pumps with Trailers	33,299	09-06-11	09-06-14
Republic Bank	Lease Purchase 2009 Aqua Tech Sewer Truck	48,985	09-10-10	09-10-15
Republic Bank	Lease Purchase Cues Camer 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
TCF Equipment Finance	Lease Purchase Aqua Tech Sewer Clean Truck	<u>58,942</u>	04-12-10	04-12-15
Total Wastewater		<u>339,302</u>		
Total of annual lease payments		<u>\$ 2,688,723</u>		
		Ending	Principal and	
		Principal	Interest Due	
Type	Description of Debt Purpose	Balance	Within One Year	
Governmental activities:				
Revenue bonds	2008 Tax Increment Bonds for Veterans Pkwy & Thompson Rd	\$ 2,370,000	\$ 124,368	
Revenue bonds	2005B Tax Increment Bonds for Economic Dev relating to Med Venture	2,155,003	309,842	
Revenue bonds	2005A Lease Rental Bonds for City Hall	1,025,000	182,488	
Notes and loans payable	2012 BAN for Vissing and CCSA Park Improvements	4,000,000	56,489	
Notes and loans payable	Infrastructure Bank Loan INDOT Overpass Construction	2,976,304	110,000	
Notes and loans payable	Note for Purchase of Real Property at 520 W. 7th St	143,898	36,203	
Notes and loans payable	Notes for Purchase of CASI	<u>316,170</u>	<u>38,257</u>	
Total governmental activities		<u>12,986,375</u>	<u>857,647</u>	
Wastewater:				
Revenue bonds	1999 SRF Sewage Works	1,606,584	23,295	
Revenue bonds	2005A Revenue Bonds for Additions extensions and Improvements	6,385,000	131,656	
Revenue bonds	2008 SRF Expansion of Downtown Treatment Plant	9,290,000	142,602	
Revenue bonds	2009 Revenue Bonds Refunding 1998 Bonds	2,610,000	131,656	
Revenue bonds	2009 SRF Improvements	1,219,693	23,385	
Revenue bonds	2010 SRF Improvements	2,290,000	-	
Revenue bonds	2010B Revenue Certain Additions Extensions & Improvements	17,355,000	327,450	
Revenue bonds	2010C1 Revenue Bonds to Retire 2010 BAN	2,640,000	33,500	
Revenue bonds	2011 Series B SRF Brownfield Remediation	526,890	-	
Revenue bonds	2011 Series A SRF Tenth St Lift Station and Certain other Improvement	19,890,001	291,919	
Revenue bonds	2011 Series C SRF North WW Treatment Plant	10,392,414	158,235	
Revenue bonds	2012 SRF WWTP Improvements	<u>11,865,000</u>	<u>105,065</u>	
Total Wastewater		<u>86,070,582</u>	<u>1,368,763</u>	
Drainage:				
Revenue bonds	2003 Revenue - Improvements to Certain Drainage Projects	<u>2,080,000</u>	<u>47,444</u>	
Totals		<u>\$ 101,136,957</u>	<u>\$ 2,273,854</u>	

CITY OF JEFFERSONVILLE
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES (Applies to Controller's Office)

The financial statement presented in this report included the following funds with overdrawn cash balances at December 31, 2012:

<u>Fund</u>	<u>Amount</u>
Grant-Youth Coalition	\$ 3,836
TIF62-Harb Falls Alloc	519,401
Federal Grants*	147,214

*The primary cause for this grant fund being overdrawn is because a grant reimbursement, received by the City in the year 2011 in the amount of \$145,951.65 from the Port of Louisville on December 8, 2011, was erroneously posted to the Public Safety – LOIT Fund for radios.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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 FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

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

Report on Compliance for Each Major Federal Program

We have audited the City of Jeffersonville'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 each of its major federal programs for the year ended December 31, 2012. 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.

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 each of the City's major federal programs 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 each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each 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 each of its major federal programs 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)

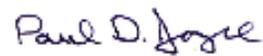
Report on Internal Control Over Compliance

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each 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.

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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.


Paul D. Joyce, CPA
State Examiner

October 17, 2013

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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, 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 Housing and Urban Development</u>				
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	Indiana Office of Community and Rural Affairs	14.228	DR2-09-155	\$ 300,909
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii Voluntary Acquisition and Demolition	Indiana Housing and Community Development Authority	14.228	DR2HB-011-001	611,821
Total for cluster				912,730
Community Development Block Grants/ Brownfields Economic Development Initiative Spring Street Improvement Project	Direct Grant	14.246	B-05-SP-IN-0070	21,920
Total for federal grantor agency				934,650
<u>Department of Justice</u>				
JAG Program Cluster				
Edward Byrne Memorial Justice Assistance Grant Program Jefferson-Clarksville-Clark County Communications and Technology Upgrade	Direct Grant	16.738	2009-DJ-BX-0997	5,698
Jefferson-Clarksville-Clark County Law Enforcement Equipment Upgrade			2010-DJ-BX-0695	5,475
Total for program				11,173
Edward Byrne Memorial Justice Assistance Grant Program Jeffersonville-Clarksville-Clark County Law Enforcement Equipment Upgrade	Town of Clarksville	16.738	2012-DJ-BX-0234	12,345
ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants to Units Of Local Government Jeffersonville-Clarksville-Clark County Law Enforcement Equipment Upgrade and Enhancement Project	Direct Grant	16.804	2009SBB91828	6,451
Total for cluster				29,969
Public Safety Partnership and Community Policing Grants 2009 COPS Technology Program	Direct Grant	16.710	2009CKWX0497	248,792
Juvenile Accountability Block Grants Clark County Juvenile Justice Program Clark County Juvenile Justice Program	Indiana Criminal Justice Institute	16.523	09-JB-003 10-JB-004	7,000 7,000
Total for program				14,000
Juvenile Justice and Delinquency Prevention Allocation to States Clark County Juvenile Justice Program	Indiana Criminal Justice Institute	16.540	11-JF-002	10,000
Total for program				10,000
Total for federal grantor agency				302,761
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction Park and Ride Lot Design Project Hamburg Pike Rehabilitation 10th Street Rehabilitation	Indiana Department of Transportation	20.205	CM-9910(20) STP-C70004 DES#0810280	15,267 498,922 489,324
Total for cluster				1,003,513

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, 2012
(Continued)

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 Transportation (continued)</u>				
Highway Safety Cluster				
State and Community Highway Safety	City of Charlestown	20.600		
Clark County Traffic Safety Partnership			PT-12-11-04-34	<u>10,272</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	City of Charlestown	20.601		
Clark County DUI Taskforce			K8-2012-03-03-03	<u>8,172</u>
Total for cluster				<u>18,444</u>
Total for federal grantor agency				<u>1,021,957</u>
<u>Environmental Protection Agency</u>				
Capitalization Grants for Clean Water State Revolving Funds	Indiana Finance Authority	66.458		
State Revolving Loan			WW06121003	359,738
State Revolving Loan			WW06121004	68,313
State Revolving Loan			WW06121005	6,144,798
State Revolving Loan			WW06121006	5,165,432
State Revolving Loan			WW12102608	<u>51,518</u>
Total for program				<u>11,789,799</u>
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements Revolving Loan Fund	Indiana Finance Authority	66.818		
			2B-00E96801-1	<u>67,319</u>
Total for federal grantor agency				<u>11,857,118</u>
<u>Department of Homeland Security</u>				
Assistance to Firefighters Grant	Direct Grant	97.044		
Staffing for Adequate Fire and Emergency Response			EMW-2007-FF-00649	37,616
Staffing for Adequate Fire and Emergency Response			EMW-2011-FR-00547	<u>102,087</u>
Total for program				<u>139,703</u>
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Indiana Department of Homeland Security	97.036		
Disaster			DR-1997	43,684
Disaster			DR-4058	<u>2,763</u>
Total for program				<u>46,447</u>
Port Security Grant Program	Larry D. Allen, LLC	97.056		
FY09 PSGP			2009-PU-T9-K017	192,786
FY10 PSGP			2010-PU-T0-K019	161,528
FY11 PSGP			2011-PU-K00245	<u>130,000</u>
Total for program				<u>484,314</u>
Total for federal grantor agency				<u>670,464</u>
Total federal awards expended				<u>\$ 14,786,950</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, 2012:

Program Title	Federal CFDA Number	2012
Juvenile Accountability Block Grant	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:	Disclaimer
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds
97.056	Port Security Grant Program

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 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

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

Lack of Segregation of Duties: Control activities should be selected and developed at various levels of the City to reduce risks to the achievement of financial reporting objectives. The City has not separated incompatible activities related to receipts, utility collections, and disbursements, and cash and investment balances. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

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

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

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

FINDING 2012-2 - INTERNAL CONTROLS OVER THE PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The City did not have a proper system of internal controls 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 controls in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted that several grants were omitted from the SEFA. Examples of these omissions included: Highway Planning and Construction grants in the amount of \$1,003,513 and the Capitalization Grants for Clean Water Revolving Funds in the amount of \$11,789,799. Audit adjustments were proposed, accepted by the City, and made to the SEFA presented in this report.

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)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

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

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.
- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

FINDING 2012-3 - BANK RECONCILEMENTS

The performance of an adequate month end bank reconciliation is an internal control process over cash and investments that can prevent, or detect and correct, misstatements on a timely basis.

The City has several bank accounts and each bank account correlates to several funds of the City. In order to reconcile each month, the City groups the funds together by the corresponding bank account and then performs a separate bank reconciliation for each group of funds. During our testing of the City's bank reconciliations at December 31, 2012, we noted the following errors and irregularities, as summarized below:

1. Five of the bank reconciliations contained unidentified variances ranging from a cash shortage (cash necessary to balance) of \$15,130 to cash long of \$24,856.
2. Not all of the outstanding checklists presented for audit could be substantiated due to errors. The following are examples of errors that were identified:
 - (a) One outstanding checklist did not include all of the outstanding checks. Thirty-three payroll checks totaling \$15,737 with dates ranging from December 10, 2012 to December 28, 2012, cleared the bank during the year 2013; but were not listed on the outstanding checklist at December 31, 2012.
 - (b) One outstanding checklist, totaling \$44,398, was omitted from the bank reconciliation as a reconciling item.

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

(c) Three checks and one electronic funds transfer, totaling \$4,050, were reported on one of the outstanding checklists; however, these transactions had cleared the bank account prior to December 31, 2012.

(d) A check in the amount of \$95,000 was reported as an outstanding check with no evidence presented for audit that the check was actually written.

(e) One outstanding checklist, which actually totaled \$218,285, was reported on the bank reconciliation in the amount of \$202,352. This was a variance of \$15,932.

3. Gross pay for pensioners on December 21, 2012, was posted twice to the Police Pension Fund in the amount of \$36,783. This posting error went undetected and was not reported as a reconciling item on the bank reconciliation for that fund.
4. Unsupported reconciling items on the bank reconciliations that included one item in the amount of \$34,612 and another item in the amount of \$20,500 could not be traced to any specific financial transaction.

Due to number of errors and irregularities, a true reconciling variance between the total record balance of cash and investments and total bank balances could not be determined.

The City's records did not permit the application of other auditing procedures to ascertain if cash and investments presented on the financial statement is fairly presented. The failure to perform adequate bank reconciliations could allow material misstatements and irregularities to 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)

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."

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

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

812-285-6400

Jeffersonville City Hall
500 Quartermaster Court
Jeffersonville, Indiana 47130



FINDING 2012-1 - INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

Contact Person: Amy Deering
Title: Controller
Phone Number: 812-285-6492

Additional management oversight has been implemented over all financial activities. All claims are double balanced by two individuals. Bank reconciliations are up to date and completed monthly. Appropriations reports are being reviewed continuously. Posting corrections are consistently submitted on a standard form and approved by management.

FINDING NO. 2012-2 INTERNAL CONTROLS OVER THE PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Contact Person: Amy Deering
Title: Controller
Phone Number: 812-285-6492

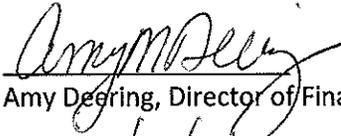
A new employee will be hired to oversee the grant process and periodically meet with the Grant Administrator to improve communication and processing of federal funds.

FINDING 2012-3 – BANK RECONCILEMENTS

Contact Person: Amy Deering
Title: Controller
Phone Number: 812-285-6492

Bank accounts are being reconciled in a timely manner to identify all reconciling items that could cause errors to occur and go undetected for long periods of time. Bank reconciliations will be maintained within financial software being implemented in 4th quarter of 2013, which will ease the process.


Mike Moore, Mayor
Date: 8-19-13


Amy Deering, Director of Finance and Controller
Date: 8/19/13

CITY OF JEFFERSONVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 19, 2013, with Mike Moore, Mayor; Amy M. Deering, Controller; and Connie Sellers, President of the Common Council; and with Monica L. Harmon, former Controller, on October 17, 2013.