

**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, 2013 to December 31, 2013



**FILED**

10/23/2015



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Controller	Monica L. Harmon Amy M. Deering	01-01-13 to 03-07-13 03-08-13 to 12-31-15
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	Connie Sellers Dennis Julius Lisa Gill	01-01-13 to 12-31-13 01-01-14 to 12-31-14 01-01-15 to 12-31-15
Utility Office Manager	Elisha Dale	01-01-13 to 12-31-15



## 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, 2013, 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 did not reconcile to its accounting record balances. The reconciliations presented for audit contained numerous material reconciling items that could not be verified. Because the City did not prepare accurate and timely bank reconciliations and 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 Matters**

*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 and because federal grant monies were not accurately and separately identified in the financial ledgers, it is inappropriate to and we do not express an opinion on the Schedule of Expenditures of Federal Awards referred to above.

*Other Information*

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, 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 any auditing procedures and, accordingly, we express no opinion on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated July 1, 2015, 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.

  
Paul D. Joyce, CPA  
State Examiner

July 1, 2015



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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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, 2013, and the related notes to the financial statement, and have issued our report thereon dated July 1, 2015. Our report disclaims an opinion on such financial statements due to the City not performing accurate and timely bank reconciliations and properly maintaining accounting records.

***Internal Control Over Financial Reporting***

In connection with our engagement to audit 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 2013-001, 2013-002, and 2013-003 to be material weaknesses.

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)

***Compliance and Other Matters***

In connection with our engagement to audit the financial statement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 2013-001 and 2013-003. Additionally, if the scope of our work had been sufficient to enable us to express an opinion on the basic financial statement, other instances of noncompliance or other matters may have been identified and reported herein.

***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 engagement to audit 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

July 1, 2015

## FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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, 2013

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
GENERAL FUND	\$ 2,192,086	\$ 26,582,102	\$ 23,563,282	\$ 5,210,906
MOTOR VEHICLE HIGHWAY	653,557	1,343,947	668,986	1,328,518
LOCAL ROAD AND STREET	447,428	448,138	346,409	549,157
ANIMAL SHELTER SPAY/NEUTER PROGRAM	63,597	31,054	71,408	23,243
SANITATION	963,170	2,855,547	2,221,162	1,597,555
CLERKS RECORD PERPETUATION	4,772	1,464	-	6,236
CITY ATTORNEY DIVERSION FUND	3,340	1,700	-	5,040
UNSAFE BLDG/DEMOLITION NON-REVERTING	113,818	26,678	31,776	108,720
SHARE OF GAMING REVENUES	346,649	266,298	420,216	192,731
PARK AND RECREATION	925,167	2,399,986	2,011,160	1,313,993
JEFFERSONVILLE USER FEE	15,980	17,680	18,700	14,960
RAINY DAY FUND	4,658,364	-	-	4,658,364
ECONOMIC DEVELOPMENT INCOME TAX	1,775,982	2,159,759	3,565,374	370,367
LEVY EXCESS FUND	1,003,337	-	1,003,337	-
REDEVELOPMENT REVOLVING LOAN	256,369	46,386	592	302,163
CERTIFIED TECHNOLOGY	1,089,544	776,912	617,495	1,248,961
PROBATION USER FEE	378	156,576	69,954	87,000
CUMULATIVE CAPITAL DEVELOPMENT	613,159	883	136,046	477,996
POLICE NON-REVERTING FUND	69,468	74,712	112,835	31,345
REDEVELOPMENT OPERATING	692,960	1,101,413	477,332	1,317,041
CUMULATIVE CAPITAL IMPROVEMENT	409,541	120,676	-	530,217
2013 FALLS LANDING SERIES A DEBT SERVICE RESERVE	-	159,256	-	159,256
NON-REVERTING HEALTH INSURANCE	543,632	4,704,281	4,482,019	765,894
POLICE PENSION	453,550	900,249	887,737	466,062
FIRE PENSION	629,528	1,204,154	1,201,287	632,395
PUBLIC SAFETY LOIT	904,945	3,691,934	2,066,486	2,530,393
MAIN STREET GRANT RETAINAGE	-	36,092	-	36,092
COPS TECHNOLOGY GRANT	(250)	51,458	51,208	-
JEFF BICYCLE AND PEDESTRIAN GRANT	-	48,000	48,000	-
HOMELAND SECURITY FOUNDATION GRANT	-	4,000	4,000	-
STREET DEPT NON-REVERTING	111,585	51,431	120,402	42,614
FIRE DEPT NON-REVERTING	2,042	7,228	2,815	6,455
PARKS ACTIVITIES NON-REVERTING FUND	64,726	706,898	733,086	38,538
PARK SPECIAL NON-REVERTING	16	-	16	-
CITY ENGINEER NON-REVERTING	40,839	-	-	40,839
CASH CHANGE	660	-	200	460
PETTY CASH	953	-	-	953
JUVENILE JUSTICE GRANT	6,000	13,000	19,000	-
VISSING CONSTRUCTION RETAINAGE AML	262,728	180,216	162,728	280,216
JAG GRANT 2010	216	-	216	-
VISSING PARK CONSTRUCTION NON-REVERTING	2,459,290	2,279,999	4,044,852	694,437
RIVERSTAGE	-	248,242	248,233	9
FEMA GRANT TRAINING	(40,712)	492,975	451,965	298
GRANT JFD PORT SECURITY	36,200	232,543	263,750	4,993
GRANT YOUTH COALITION	(3,836)	9,091	10,461	(5,206)
MAIN STREET GRANT	-	458,071	566,298	(108,227)
VEHICLE MAINTENANCE FUEL AND REPAIR	112,418	1,542,937	1,188,556	466,799
CITY COURT CASH CHANGE	-	200	-	200
COURT RESTITUTION	-	1,390	-	1,390
COURT COLLECTIONS	-	371,936	320,285	51,651
CITY COURT BOND FUND	-	254,734	180,476	74,258
DONATIONS	89,120	33,381	43,875	78,626
BEAUTIFICATION NON-REVERTING	2,247	24,415	13,334	13,328
THUNDER COMMITTEE NON-REVERTING	38,419	25,650	18,868	45,201
CITY COURT NON-REVERTING	189,234	13,025	8,623	193,636
PUBLIC ARTS	-	165,000	-	165,000
SPRINT LEASE NON-REVERTING	69,889	13,169	-	83,058

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, 2013  
(Continued)

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13
ECONOMIC DEVELOPMENT ABATEMENT	20,840	160,852	30,000	151,692
TIF63-VOGT VALVE ALLOCATION	1,131,669	870,316	1,118,193	883,792
TIF64-GALVSTAR ALLOCATION	758,989	396,762	348,673	807,078
POLICE FALLS LANDING C	-	5,124,082	1,156,025	3,968,057
POLICE ICR SERIES D	-	3,441,615	916,379	2,525,236
TIF66-KEYSTONE ALLOCATION	526,052	172,541	52,787	645,806
POLICE ICR SERIES E	-	1,572,872	506,069	1,066,803
TIF67-BETHNOVA ALLOCATION	329,981	172,482	64,946	437,517
DEPARTMENT OF LAW NON-REVERTING	9,666	-	-	9,666
TIF5761-ICR ALLOCATION	4,490,438	16,352,718	6,939,354	13,903,802
TIF62-HARB FALLS ALLOCATION	(519,402)	4,452,738	2,890,704	1,042,632
2013 ICR SERIES B DEBT SERVICE RESERVE	-	778,372	-	778,372
2013 FALLS LANDING SERIES C DEBT SERVICE RESERVE	-	400,469	-	400,469
2013 ICR SERIES D DEBT SERVICE RESERVE	-	274,635	-	274,635
2013 ICR SERIES E DEBT SERVICE RESERVE	-	128,163	-	128,163
FEDERAL ASSET FORFEITURE	18,360	37,717	28,588	27,489
JEFF POLICE FORFEITURE	12,965	-	-	12,965
REDEVELOPMENT CASI	504,508	195,539	51,174	648,873
REDEVELOPMENT GRANTS	98,799	859,747	783,043	175,503
REDEVELOPMENT CITY HALL BOND	299,516	-	-	299,516
REDEVELOPMENT VETERAN PKWY BOND	792,632	657	7,134	786,155
REDEVELOPMENT VETERANS PKWY RETAINAGE	129,876	296	-	130,172
SIDEWALK CONSTRUCTION	-	8,500	-	8,500
COURT MONEY DUE TO STATE	-	34,063	-	34,063
SIDEWALK RENOVATION NON-REVERTING	11,173	21,341	3,569	28,945
COURT COST DUE COUNTY	1,842	59,156	57,724	3,274
CITY COURT FUND	271,892	-	271,892	-
CONTINUING EDUCATION	37,216	2,752	2,595	37,373
JEFF BUILDING AUTHORITY OPERATING NON-REVERTING	81,699	250,000	109,620	222,079
FEDERAL GRANTS	(147,214)	147,214	-	-
JEFF BUILDING AUTHORITY CAPITAL IMPROVEMENT RESERVE	133,915	70,000	-	203,915
PAYROLL	3,423	21,355,097	21,344,487	14,033
2010 BOND CONSTRUCTION BAN	(407)	407	-	-
EAST END BRIDGE PROJECT	(315)	-	3,813	(4,128)
SEWAGE OPERATING AND MAINTENANCE	1,094,984	14,345,271	14,127,594	1,312,661
WW SINKING FUND	209,597	2,904,951	3,114,400	148
WW CUMULATIVE IMPROVEMENT	754,988	502,172	1,148,614	108,546
WW SRF SINKING	786,403	4,112,401	2,197,433	2,701,371
WW DEBT SERVICE RESERVE	3,461,009	736,483	-	4,197,492
WW 2005 CONSTRUCTION	555,897	348	113,423	442,822
WW 2010 BAB CONSTRUCTION	6,851,614	30,922	3,414,123	3,468,413
WW 2009 SRF CONSTRUCTION	(7,715)	74,807	67,092	-
WW ARRA GRANT	67	-	-	67
WW CASH CHANGE	300	-	-	300
WW PETTY CASH	400	-	-	400
WW 2010C CONSTRUCTION	438	-	438	-
WW SRF 2011A CONSTRUCTION	(104,783)	1,632,157	1,527,374	-
WW SRF 2011B CONSTRUCTION	(5,901)	-	6,827	(12,728)
WW SRF 2011C CONSTRUCTION	(67,196)	9,394,049	9,937,925	(611,072)
WW SRF 2012 CONSTRUCTION	11,761,964	5,981	9,874,943	1,893,002
WW 2013 SEWER BAN	-	3,301,650	1,061,276	2,240,374
WW CAPACITY FEE	805,947	869,124	84,118	1,590,953
DRAINAGE OPERATING	1,411,470	1,363,485	1,465,810	1,309,145
DRAINAGE SINKING	915	244,867	47,489	198,293
Totals	<u>\$ 58,780,616</u>	<u>\$ 153,196,637</u>	<u>\$ 137,350,488</u>	<u>\$ 74,626,765</u>

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

CITY OF JEFFERSONVILLE  
NOTES TO FINANCIAL STATEMENT

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

*A. Reporting Entity*

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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.

CITY OF JEFFERSONVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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, 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.

CITY OF JEFFERSONVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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.

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 Capitol 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 Capitol 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 reimbursements for expenditures made by the City not being received by December 31, 2013.

**Note 8. Holding Corporations**

The City has entered into capital leases 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 2013 totaled \$918,000.

The City has entered into capital leases with the Jeffersonville Redevelopment Authority (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 2013 totaled \$933,350.

CITY OF JEFFERSONVILLE  
NOTES TO FINANCIAL STATEMENT  
(Continued)

The City has entered into a capital lease with the Jeffersonville Building Authority (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 2013 totaled \$320,000.

**Note 9. Subsequent Events**

On May 29, 2014, the City closed on the Sewage Works Bond Anticipation Note of 2014 in the amount of \$3,368,000. The proceeds of this note will be used to refund the Bond Anticipation Notes of 2013.

On August 27, 2014, the City entered into a contract with TSI Paving for the CSO Interceptor project in the amount of \$1,671,830.

On October 29, 2014, the City entered into a contract with Mac Construction for the Jeffersonville Riverfront Improvement project in the amount of \$2,499,958.

**Note 10. Other Postemployment Benefits**

The City provides to eligible retirees and their spouses the following benefits: 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.

#### OTHER INFORMATION - UNAUDITED

The City's Annual Financial 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 Financial 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 other 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, 2013

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD AND STREET	ANIMAL SHELTER SPAY/NEUTER PROGRAM	SANITATION	CLERKS RECORD PERPETUATION	CITY ATTORNEY DIVERSION FUND
Cash and investments - beginning	\$ 2,192,086	\$ 653,557	\$ 447,428	\$ 63,597	\$ 963,170	\$ 4,772	\$ 3,340
Receipts:							
Taxes	15,309,742	146,353	-	-	2,621,474	-	-
Licenses and permits	759,313	5,403	-	31,054	-	-	-
Intergovernmental	8,753,712	1,188,642	438,341	-	201,369	-	-
Charges for services	126,865	1,585	9,797	-	23,440	-	-
Fines and forfeits	36,252	-	-	-	-	1,464	1,700
Utility fees	-	-	-	-	-	-	-
Other receipts	1,596,218	1,964	-	-	9,264	-	-
<b>Total receipts</b>	<b>26,582,102</b>	<b>1,343,947</b>	<b>448,138</b>	<b>31,054</b>	<b>2,855,547</b>	<b>1,464</b>	<b>1,700</b>
Disbursements:							
Personal services	15,110,552	495,330	-	-	1,013,373	-	-
Supplies	425,006	157,701	320,202	-	151,315	-	-
Other services and charges	7,099,559	1,912	26,207	71,408	555,378	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	333,165	14,043	-	-	11,096	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	595,000	-	-	-	490,000	-	-
<b>Total disbursements</b>	<b>23,563,282</b>	<b>668,986</b>	<b>346,409</b>	<b>71,408</b>	<b>2,221,162</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	3,018,820	674,961	101,729	(40,354)	634,385	1,464	1,700
Cash and investments - ending	<u>\$ 5,210,906</u>	<u>\$ 1,328,518</u>	<u>\$ 549,157</u>	<u>\$ 23,243</u>	<u>\$ 1,597,555</u>	<u>\$ 6,236</u>	<u>\$ 5,040</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	UNSAFE BLDG/DEMOLITION NON-REVERTING	SHARE OF GAMING REVENUES	PARK AND RECREATION	JEFFERSONVILLE USER FEE	RAINY DAY FUND	ECONOMIC DEVELOPMENT INCOME TAX	LEVY EXCESS FUND
Cash and investments - beginning	\$ 113,818	\$ 346,649	\$ 925,167	\$ 15,980	\$ 4,658,364	\$ 1,775,982	\$ 1,003,337
Receipts:							
Taxes	-	-	2,159,921	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	266,298	167,914	-	-	2,159,759	-
Charges for services	26,678	-	62,057	-	-	-	-
Fines and forfeits	-	-	-	17,680	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	10,094	-	-	-	-
Total receipts	<u>26,678</u>	<u>266,298</u>	<u>2,399,986</u>	<u>17,680</u>	<u>-</u>	<u>2,159,759</u>	<u>-</u>
Disbursements:							
Personal services	-	-	950,765	-	-	-	-
Supplies	-	-	136,971	-	-	-	-
Other services and charges	31,776	100,356	420,485	18,700	-	516,521	-
Debt service - principal and interest	-	-	52,461	-	-	41,000	-
Capital outlay	-	84,860	300,478	-	-	1,727,853	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	235,000	150,000	-	-	1,280,000	1,003,337
Total disbursements	<u>31,776</u>	<u>420,216</u>	<u>2,011,160</u>	<u>18,700</u>	<u>-</u>	<u>3,565,374</u>	<u>1,003,337</u>
Excess (deficiency) of receipts over disbursements	<u>(5,098)</u>	<u>(153,918)</u>	<u>388,826</u>	<u>(1,020)</u>	<u>-</u>	<u>(1,405,615)</u>	<u>(1,003,337)</u>
Cash and investments - ending	<u>\$ 108,720</u>	<u>\$ 192,731</u>	<u>\$ 1,313,993</u>	<u>\$ 14,960</u>	<u>\$ 4,658,364</u>	<u>\$ 370,367</u>	<u>\$ -</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	REDEVELOPMENT REVOLVING LOAN	CERTIFIED TECHNOLOGY	PROBATION USER FEE	CUMULATIVE CAPITAL DEVELOPMENT	POLICE NON-REVERTING FUND	REDEVELOPMENT OPERATING	CUMULATIVE CAPITAL IMPROVEMENT
Cash and investments - beginning	\$ 256,369	\$ 1,089,544	\$ 378	\$ 613,159	\$ 69,468	\$ 692,960	\$ 409,541
Receipts:							
Taxes	-	776,912	-	-	-	-	-
Licenses and permits	-	-	-	-	11,280	-	-
Intergovernmental	-	-	-	883	-	-	120,676
Charges for services	45,686	-	-	-	63,432	293,068	-
Fines and forfeits	-	-	156,576	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	700	-	-	-	-	808,345	-
Total receipts	46,386	776,912	156,576	883	74,712	1,101,413	120,676
Disbursements:							
Personal services	-	-	59,704	-	-	237,101	-
Supplies	-	-	2,285	-	-	8,566	-
Other services and charges	592	150	7,320	-	45,864	117,364	-
Debt service - principal and interest	-	617,345	-	-	-	72,407	-
Capital outlay	-	-	645	136,046	66,971	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	41,894	-
Total disbursements	592	617,495	69,954	136,046	112,835	477,332	-
Excess (deficiency) of receipts over disbursements	45,794	159,417	86,622	(135,163)	(38,123)	624,081	120,676
Cash and investments - ending	\$ 302,163	\$ 1,248,961	\$ 87,000	\$ 477,996	\$ 31,345	\$ 1,317,041	\$ 530,217

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	2013 FALLS LANDING SERIES A DEBT SERVICE RESERVE	NON-REVERTING HEALTH INSURANCE	POLICE PENSION	FIRE PENSION	PUBLIC SAFETY LOIT	MAIN STREET GRANT RETAINAGE	COPS TECHNOLOGY GRANT
Cash and investments - beginning	\$ -	\$ 543,632	\$ 453,550	\$ 629,528	\$ 904,945	\$ -	\$ (250)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,691,934	-	51,458
Charges for services	159,256	-	900,249	1,204,154	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	4,704,281	-	-	-	36,092	-
<b>Total receipts</b>	<b>159,256</b>	<b>4,704,281</b>	<b>900,249</b>	<b>1,204,154</b>	<b>3,691,934</b>	<b>36,092</b>	<b>51,458</b>
Disbursements:							
Personal services	-	-	887,737	1,201,041	-	-	-
Supplies	-	165	-	-	-	-	-
Other services and charges	-	4,481,854	-	246	1,317,859	-	25,300
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	748,627	-	25,908
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>4,482,019</b>	<b>887,737</b>	<b>1,201,287</b>	<b>2,066,486</b>	<b>-</b>	<b>51,208</b>
Excess (deficiency) of receipts over disbursements	159,256	222,262	12,512	2,867	1,625,448	36,092	250
Cash and investments - ending	\$ 159,256	\$ 765,894	\$ 466,062	\$ 632,395	\$ 2,530,393	\$ 36,092	\$ -

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	JEFF BICYCLE AND PEDESTRIAN GRANT	HOMELAND SECURITY FOUNDATION GRANT	STREET DEPT NON-REVERTING	FIRE DEPT NON-REVERTING	PARKS ACTIVITIES NON-REVERTING FUND	PARK SPECIAL NON-REVERTING	CITY ENGINEER NON-REVERTING
Cash and investments - beginning	\$ -	\$ -	\$ 111,585	\$ 2,042	\$ 64,726	\$ 16	\$ 40,839
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	48,000	4,000	-	-	-	-	-
Charges for services	-	-	51,431	7,228	425,293	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	281,605	-	-
Total receipts	<u>48,000</u>	<u>4,000</u>	<u>51,431</u>	<u>7,228</u>	<u>706,898</u>	<u>-</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	178,475	-	-
Supplies	-	-	120,402	-	161,576	-	-
Other services and charges	48,000	4,000	-	151	299,528	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	2,664	93,507	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	16	-
Total disbursements	<u>48,000</u>	<u>4,000</u>	<u>120,402</u>	<u>2,815</u>	<u>733,086</u>	<u>16</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(68,971)</u>	<u>4,413</u>	<u>(26,188)</u>	<u>(16)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,614</u>	<u>\$ 6,455</u>	<u>\$ 38,538</u>	<u>\$ -</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, 2013  
 (Continued)

	CASH CHANGE	PETTY CASH	JUVENILE JUSTICE GRANT	VISSING CONSTRUCTION RETAINAGE AML	JAG GRANT 2010	VISSING PARK CONSTRUCTION NON-REVERTING	RIVERSTAGE
Cash and investments - beginning	\$ 660	\$ 953	\$ 6,000	\$ 262,728	\$ 216	\$ 2,459,290	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	13,000	-	-	-	-
Charges for services	-	-	-	-	-	-	13,903
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	180,216	-	2,279,999	234,339
Total receipts	-	-	13,000	180,216	-	2,279,999	248,242
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	19,585
Other services and charges	200	-	19,000	-	216	3,219,429	228,648
Debt service - principal and interest	-	-	-	-	-	56,944	-
Capital outlay	-	-	-	162,728	-	768,479	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	200	-	19,000	162,728	216	4,044,852	248,233
Excess (deficiency) of receipts over disbursements	(200)	-	(6,000)	17,488	(216)	(1,764,853)	9
Cash and investments - ending	\$ 460	\$ 953	\$ -	\$ 280,216	\$ -	\$ 694,437	\$ 9

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	FEMA GRANT TRAINING	GRANT JFD PORT SECURITY	GRANT YOUTH COALITION	MAIN STREET GRANT	VEHICLE MAINTENANCE FUEL AND REPAIR	CITY COURT CASH CHANGE	COURT RESTITUTION
Cash and investments - beginning	\$ (40,712)	\$ 36,200	\$ (3,836)	\$ -	\$ 112,418	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	492,975	232,543	9,091	111,419	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	1,390
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	346,652	1,542,937	200	-
Total receipts	<u>492,975</u>	<u>232,543</u>	<u>9,091</u>	<u>458,071</u>	<u>1,542,937</u>	<u>200</u>	<u>1,390</u>
Disbursements:							
Personal services	146,542	-	-	-	-	-	-
Supplies	220,375	-	10,461	-	1,188,556	-	-
Other services and charges	85,048	263,750	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	566,298	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>451,965</u>	<u>263,750</u>	<u>10,461</u>	<u>566,298</u>	<u>1,188,556</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>41,010</u>	<u>(31,207)</u>	<u>(1,370)</u>	<u>(108,227)</u>	<u>354,381</u>	<u>200</u>	<u>1,390</u>
Cash and investments - ending	<u>\$ 298</u>	<u>\$ 4,993</u>	<u>\$ (5,206)</u>	<u>\$ (108,227)</u>	<u>\$ 466,799</u>	<u>\$ 200</u>	<u>\$ 1,390</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	COURT COLLECTIONS	CITY COURT BOND FUND	DONATIONS	BEAUTIFICATION NON-REVERTING	THUNDER COMMITTEE NON-REVERTING	CITY COURT NON-REVERTING	PUBLIC ARTS
Cash and investments - beginning	\$ -	\$ -	\$ 89,120	\$ 2,247	\$ 38,419	\$ 189,234	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	25,650	-	-
Fines and forfeits	371,936	-	-	-	-	13,025	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	254,734	33,381	24,415	-	-	165,000
Total receipts	<u>371,936</u>	<u>254,734</u>	<u>33,381</u>	<u>24,415</u>	<u>25,650</u>	<u>13,025</u>	<u>165,000</u>
Disbursements:							
Personal services	-	-	-	-	6,579	-	-
Supplies	-	-	-	13,334	6,728	-	-
Other services and charges	320,285	180,476	43,875	-	5,561	8,623	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>320,285</u>	<u>180,476</u>	<u>43,875</u>	<u>13,334</u>	<u>18,868</u>	<u>8,623</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>51,651</u>	<u>74,258</u>	<u>(10,494)</u>	<u>11,081</u>	<u>6,782</u>	<u>4,402</u>	<u>165,000</u>
Cash and investments - ending	<u>\$ 51,651</u>	<u>\$ 74,258</u>	<u>\$ 78,626</u>	<u>\$ 13,328</u>	<u>\$ 45,201</u>	<u>\$ 193,636</u>	<u>\$ 165,000</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	SPRINT LEASE NON-REVERTING	ECONOMIC DEVELOPMENT ABATEMENT	TIF63-VOGT VALVE ALLOCATION	TIF64-GALVSTAR ALLOCATION	POLICE FALLS LANDING C	POLICE ICR SERIES D	TIF66-KEYSTONE ALLOCATION
Cash and investments - beginning	\$ 69,889	\$ 20,840	\$ 1,131,669	\$ 758,989	\$ -	\$ -	\$ 526,052
Receipts:							
Taxes	-	-	775,316	396,762	-	-	172,541
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	13,169	160,852	95,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	5,124,082	3,441,615	-
Total receipts	<u>13,169</u>	<u>160,852</u>	<u>870,316</u>	<u>396,762</u>	<u>5,124,082</u>	<u>3,441,615</u>	<u>172,541</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	30,000	391,693	1,193	984,582	762,582	1,193
Debt service - principal and interest	-	-	723,500	344,480	161,240	143,594	27,702
Capital outlay	-	-	3,000	3,000	10,203	10,203	23,892
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>30,000</u>	<u>1,118,193</u>	<u>348,673</u>	<u>1,156,025</u>	<u>916,379</u>	<u>52,787</u>
Excess (deficiency) of receipts over disbursements	<u>13,169</u>	<u>130,852</u>	<u>(247,877)</u>	<u>48,089</u>	<u>3,968,057</u>	<u>2,525,236</u>	<u>119,754</u>
Cash and investments - ending	<u>\$ 83,058</u>	<u>\$ 151,692</u>	<u>\$ 883,792</u>	<u>\$ 807,078</u>	<u>\$ 3,968,057</u>	<u>\$ 2,525,236</u>	<u>\$ 645,806</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	POLICE ICR SERIES E	TIF67-BETHNOVA ALLOCATION	DEPARTMENT OF LAW NON-REVERTING	TIF5761-ICR ALLOCATION	TIF62-HARB FALLS ALLOCATION	2013 ICR SERIES B DEBT SERVICE RESERVE	2013 FALLS LANDING SERIES C DEBT SERVICE RESERVE
Cash and investments - beginning	\$ -	\$ 329,981	\$ 9,666	\$ 4,490,438	\$ (519,402)	\$ -	\$ -
Receipts:							
Taxes	-	172,482	-	7,634,856	2,345,959	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	234,268	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	1,572,872	-	-	8,483,594	2,106,779	778,372	400,469
Total receipts	1,572,872	172,482	-	16,352,718	4,452,738	778,372	400,469
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	486,569	1,193	-	133,810	109,991	-	-
Debt service - principal and interest	9,297	60,753	-	1,651,841	1,123,231	-	-
Capital outlay	10,203	3,000	-	5,153,703	1,657,482	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	506,069	64,946	-	6,939,354	2,890,704	-	-
Excess (deficiency) of receipts over disbursements	1,066,803	107,536	-	9,413,364	1,562,034	778,372	400,469
Cash and investments - ending	\$ 1,066,803	\$ 437,517	\$ 9,666	\$ 13,903,802	\$ 1,042,632	\$ 778,372	\$ 400,469

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	2013 ICR SERIES D DEBT SERVICE RESERVE	2013 ICR SERIES E DEBT SERVICE RESERVE	FEDERAL ASSET FORFEITURE	JEFF POLICE FORFEITURE	REDEVELOPMENT CASI	REDEVELOPMENT GRANTS	REDEVELOPMENT CITY HALL BOND
Cash and investments - beginning	\$ -	\$ -	\$ 18,360	\$ 12,965	\$ 504,508	\$ 98,799	\$ 299,516
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	8,018	-
Charges for services	-	-	-	-	153,500	851,729	-
Fines and forfeits	-	-	37,717	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	274,635	128,163	-	-	42,039	-	-
Total receipts	<u>274,635</u>	<u>128,163</u>	<u>37,717</u>	<u>-</u>	<u>195,539</u>	<u>859,747</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	28,588	-	12,917	770,471	-
Debt service - principal and interest	-	-	-	-	38,257	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	12,572	-
Total disbursements	<u>-</u>	<u>-</u>	<u>28,588</u>	<u>-</u>	<u>51,174</u>	<u>783,043</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>274,635</u>	<u>128,163</u>	<u>9,129</u>	<u>-</u>	<u>144,365</u>	<u>76,704</u>	<u>-</u>
Cash and investments - ending	<u>\$ 274,635</u>	<u>\$ 128,163</u>	<u>\$ 27,489</u>	<u>\$ 12,965</u>	<u>\$ 648,873</u>	<u>\$ 175,503</u>	<u>\$ 299,516</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	REDEVELOPMENT VETERAN PKWY BOND	REDEVELOPMENT VETERANS PKWY RETAINAGE	SIDEWALK CONSTRUCTION	COURT MONEY DUE TO STATE	SIDEWALK RENOVATION NON-REVERTING	COURT COST DUE COUNTY	CITY COURT FUND
Cash and investments - beginning	\$ 792,632	\$ 129,876	\$ -	\$ -	\$ 11,173	\$ 1,842	\$ 271,892
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	8,500	-	21,341	-	-
Fines and forfeits	-	-	-	34,063	-	59,156	-
Utility fees	-	-	-	-	-	-	-
Other receipts	657	296	-	-	-	-	-
Total receipts	<u>657</u>	<u>296</u>	<u>8,500</u>	<u>34,063</u>	<u>21,341</u>	<u>59,156</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	7,134	-	-	-	3,569	57,724	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	271,892
Total disbursements	<u>7,134</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,569</u>	<u>57,724</u>	<u>271,892</u>
Excess (deficiency) of receipts over disbursements	<u>(6,477)</u>	<u>296</u>	<u>8,500</u>	<u>34,063</u>	<u>17,772</u>	<u>1,432</u>	<u>(271,892)</u>
Cash and investments - ending	<u>\$ 786,155</u>	<u>\$ 130,172</u>	<u>\$ 8,500</u>	<u>\$ 34,063</u>	<u>\$ 28,945</u>	<u>\$ 3,274</u>	<u>\$ -</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	CONTINUING EDUCATION	JEFF BUILDING AUTHORITY OPERATING NON-REVERTING	FEDERAL GRANTS	JEFF BUILDING AUTHORITY CAPITAL IMPROVEMENT RESERVE	PAYROLL	2010 BOND CONSTRUCTION BAN	EAST END BRIDGE PROJECT
Cash and investments - beginning	\$ 37,216	\$ 81,699	\$ (147,214)	\$ 133,915	\$ 3,423	\$ (407)	\$ (315)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	147,214	-	-	-	-
Charges for services	-	250,000	-	70,000	21,355,097	-	-
Fines and forfeits	2,752	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	407	-
<b>Total receipts</b>	<b>2,752</b>	<b>250,000</b>	<b>147,214</b>	<b>70,000</b>	<b>21,355,097</b>	<b>407</b>	<b>-</b>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	1,332	-	-	-	-	-
Other services and charges	2,595	103,307	-	-	21,344,487	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	4,981	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	3,813
Other disbursements	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>2,595</b>	<b>109,620</b>	<b>-</b>	<b>-</b>	<b>21,344,487</b>	<b>-</b>	<b>3,813</b>
Excess (deficiency) of receipts over disbursements	157	140,380	147,214	70,000	10,610	407	(3,813)
Cash and investments - ending	<u>\$ 37,373</u>	<u>\$ 222,079</u>	<u>\$ -</u>	<u>\$ 203,915</u>	<u>\$ 14,033</u>	<u>\$ -</u>	<u>\$ (4,128)</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	SEWAGE OPERATING AND MAINTENANCE	WW SINKING FUND	WW CUMULATIVE IMPROVEMENT	WW SRF SINKING	WW DEBT SERVICE RESERVE	WW 2005 CONSTRUCTION	WW 2010 BAB CONSTRUCTION
Cash and investments - beginning	\$ 1,094,984	\$ 209,597	\$ 754,988	\$ 786,403	\$ 3,461,009	\$ 555,897	\$ 6,851,614
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	153,553	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	14,042,881	-	-	-	-	-	-
Other receipts	302,390	2,751,398	502,172	4,112,401	736,483	348	30,922
Total receipts	<u>14,345,271</u>	<u>2,904,951</u>	<u>502,172</u>	<u>4,112,401</u>	<u>736,483</u>	<u>348</u>	<u>30,922</u>
Disbursements:							
Personal services	2,626,240	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	5,160	-	-	-	-	-	-
Debt service - principal and interest	-	2,844,720	-	2,197,433	-	-	-
Capital outlay	622,000	-	18,762	-	-	101,287	3,414,123
Utility operating expenses	1,238,547	268,799	-	-	-	-	-
Other disbursements	9,635,647	881	1,129,852	-	-	12,136	-
Total disbursements	<u>14,127,594</u>	<u>3,114,400</u>	<u>1,148,614</u>	<u>2,197,433</u>	<u>-</u>	<u>113,423</u>	<u>3,414,123</u>
Excess (deficiency) of receipts over disbursements	<u>217,677</u>	<u>(209,449)</u>	<u>(646,442)</u>	<u>1,914,968</u>	<u>736,483</u>	<u>(113,075)</u>	<u>(3,383,201)</u>
Cash and investments - ending	<u>\$ 1,312,661</u>	<u>\$ 148</u>	<u>\$ 108,546</u>	<u>\$ 2,701,371</u>	<u>\$ 4,197,492</u>	<u>\$ 442,822</u>	<u>\$ 3,468,413</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	WW 2009 SRF CONSTRUCTION	WW ARRA GRANT	WW CASH CHANGE	WW PETTY CASH	WW 2010C CONSTRUCTION	WW SRF 2011A CONSTRUCTION	WW SRF 2011B CONSTRUCTION
Cash and investments - beginning	\$ (7,715)	\$ 67	\$ 300	\$ 400	\$ 438	\$ (104,783)	\$ (5,901)
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1,632,157	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	74,807	-	-	-	-	-	-
Total receipts	<u>74,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,632,157</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	51,017	-	-	-	-	1,371,430	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	16,075	-	-	-	438	155,944	6,827
Total disbursements	<u>67,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>438</u>	<u>1,527,374</u>	<u>6,827</u>
Excess (deficiency) of receipts over disbursements	<u>7,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(438)</u>	<u>104,783</u>	<u>(6,827)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 67</u>	<u>\$ 300</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,728)</u>

CITY OF JEFFERSONVILLE  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013  
 (Continued)

	WW SRF 2011C CONSTRUCTION	WW SRF 2012 CONSTRUCTION	WW 2013 SEWER BAN	WW CAPACITY FEE	DRAINAGE OPERATING	DRAINAGE SINKING	Totals
Cash and investments - beginning	\$ (67,196)	\$ 11,761,964	\$ -	\$ 805,947	\$ 1,411,470	\$ 915	\$ 58,780,616
Receipts:							
Taxes	-	-	-	-	-	-	32,512,318
Licenses and permits	-	-	-	-	-	-	807,050
Intergovernmental	9,394,049	-	-	-	-	-	29,521,273
Charges for services	-	-	-	-	-	-	26,418,960
Fines and forfeits	-	-	-	-	-	-	733,711
Utility fees	-	-	-	848,059	1,304,653	-	16,195,593
Other receipts	-	5,981	3,301,650	21,065	58,832	244,867	47,007,732
Total receipts	<u>9,394,049</u>	<u>5,981</u>	<u>3,301,650</u>	<u>869,124</u>	<u>1,363,485</u>	<u>244,867</u>	<u>153,196,637</u>
Disbursements:							
Personal services	-	-	-	-	355,385	-	23,268,824
Supplies	-	-	-	-	-	-	2,944,560
Other services and charges	-	-	-	-	129,529	-	44,933,928
Debt service - principal and interest	-	-	1,061,276	-	-	47,444	11,274,925
Capital outlay	8,638,630	9,874,943	-	84,118	89,622	-	36,188,967
Utility operating expenses	-	-	-	-	535,050	-	2,046,209
Other disbursements	1,299,295	-	-	-	356,224	45	16,693,075
Total disbursements	<u>9,937,925</u>	<u>9,874,943</u>	<u>1,061,276</u>	<u>84,118</u>	<u>1,465,810</u>	<u>47,489</u>	<u>137,350,488</u>
Excess (deficiency) of receipts over disbursements	<u>(543,876)</u>	<u>(9,868,962)</u>	<u>2,240,374</u>	<u>785,006</u>	<u>(102,325)</u>	<u>197,378</u>	<u>15,846,149</u>
Cash and investments - ending	<u>\$ (611,072)</u>	<u>\$ 1,893,002</u>	<u>\$ 2,240,374</u>	<u>\$ 1,590,953</u>	<u>\$ 1,309,145</u>	<u>\$ 198,293</u>	<u>\$ 74,626,765</u>

CITY OF JEFFERSONVILLE  
SCHEDULE OF LEASES AND DEBT  
December 31, 2013

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Ally Financial	2012 Chevrolet Silverado	\$ 11,331	7/20/2012	7/20/2015
Ally Financial	Municipal Lease Purchase 2013 Chevy Tahoe	7,889	3/6/2013	3/6/2017
Ally Financial	Municipal Lease Purchase 2013 Chevy Traverse	8,651	3/6/2013	3/6/2017
Ally Financial	Municipal Lease Purchase 2013 Chevy Impala	5,849	3/6/2013	3/6/2017
County of Clark	Storage Room Lease	11,300	9/1/2006	12/31/2016
First Savings Bank	Lease Purchase Fire Truck	276,464	5/25/2013	11/25/2015
GMAC	Vehicle Lease	7,336	7/29/2011	8/28/2015
GMAC/Ally Financial	2012 Chevrolet Traverse	6,714	1/9/2012	4/8/2015
Ikon	Copier Lease Fire	4,464	8/13/2009	8/13/2014
Jeffersonville Building Authority	City Hall	320,000	1/1/2013	12/31/2016
Jeffersonville Building Corporation	Lease Rental Firestation #2	338,500	2/1/2007	8/1/2026
Jeffersonville Building Corporation	Lease Rental Firestation #4	187,500	2/1/2007	8/1/2026
Jeffersonville Building Corporation	Lease Rental City Services Facility	389,500	2/1/2007	8/1/2026
New Washington Bank	Lease Purchase Two Freightliner Packers	67,260	9/4/2012	3/25/2017
New Washington Bank	Lease Purchase Garbage Truck	91,355	6/1/2010	6/1/2015
New Washington Bank	Lease Purchase Snow/Salt Truck	42,380	11/9/2010	11/9/2015
New Washington Bank	Lease Purchase 2011 Garbage Truck	46,108	7/16/2010	7/16/2015
Redevelopment Authority	Lease Rental Riverside Landing	400,000	1/1/2005	1/1/2016
Redevelopment Authority	Lease Rental Aquatic Center	348,000	2/1/2010	2/1/2022
Republic Bank	Lease Purchase Garbage Truck	58,550	4/1/2010	4/1/2015
Republic Bank	Lease Purchase Garbage Truck	48,636	6/1/2009	6/1/2013
Republic Bank	Lease Purchase Fire Truck	129,795	2/13/2009	2/13/2017
Ricoh	Copier Lease	10,999	11/9/2009	11/9/2014
Toshiba	Copier - Fire	7,575	11/21/2011	2/21/2015
Toshiba	Copier Lease	7,861	9/30/2011	12/31/2014
Total governmental activities		<u>2,834,017</u>		
Wastewater:				
Caterpillar Financial Services Corp	CT660 Caterpillar Truck	30,421	9/26/2012	10/26/2017
New Washington Bank	Lease Purchase Two 2011 F-250 Trucks	11,327	9/3/2010	9/3/2015
New Washington Bank	Lease Purchase Two 2011 3500 Trucks	20,463	7/16/2010	7/16/2015
New Washington Bank	Lease Purchase Mr. Manhole and Loader	25,532	5/4/2010	5/4/2015
Republic Bank	Lease Purchase Two Pumps with Trailers	33,299	9/6/2011	9/6/2014
Republic Bank	Lease Purchase 2009 Aqua Tech Sewer Truck	48,985	9/10/2010	9/10/2015
Republic Bank	Lease Purchase Cues Camer Truck	48,337	7/15/2009	5/15/2014
Republic Bank	Lease Purchase Nine Standby Generators	28,671	11/30/2009	11/30/2015
Republic Bank	Lease Purchase Two Dump Truck	33,325	11/30/2009	11/30/2015
TCF Equipment Finance	Lease Purchase Aqua Tech Sewer Clean Truck	58,942	4/12/2010	4/12/2015
Total Wastewater		<u>339,302</u>		
Total of annual lease payments		<u>\$ 3,173,319</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	2008 Tax Increment Bonds for Veterans Pkwy & Thompson Rd	\$ 2,235,000	\$ 250,788
Revenue bonds	2005B Tax Increment Bonds for Economic Dev relating to Med Venture	1,660,003	617,246
Revenue bonds	2005A Lease Rental Bonds for City Hall	700,000	372,505
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series A	2,130,000	157,519
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series B	8,485,000	838,378
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series C	5,240,000	393,569
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series D	3,510,000	325,195
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series E	1,750,000	74,375
Notes and loans payable	Infrastructure Bank Loan INDOT Overpass Construction	2,844,612	220,000
Notes and loans payable	2012 BAN for Vissing and CCSA Park Improvements	4,000,000	82,000
Notes and loans payable	Note for Purchase of Real Property at 520 W. 7th St	77,200	79,886
Notes and loans payable	Notes for Purchase of CASI	284,797	38,257
Total governmental activities		<u>32,916,612</u>	<u>3,449,718</u>
Wastewater:			
Revenue bonds	2013 Sewage Works Refunding (1999 2003 2005A) Revenue Bonds	8,325,000	531,375
Revenue bonds	1999 SRF Sewage Works	1,447,382	208,117
Revenue bonds	2008 SRF Expansion of Downtown Treatment Plant	9,027,000	552,129
Revenue bonds	2009 Revenue Bonds Refunding 1998 Bonds	2,210,000	489,463
Revenue bonds	2009 SRF Improvements	1,236,000	102,743
Revenue bonds	2010 SRF Improvements	2,185,000	151,952
Revenue bonds	2010B Revenue Certain Additions Extensions & Improvements	17,355,000	1,007,538
Revenue bonds	2010C1 Revenue Bonds to Retire 2010 BAN	1,780,000	928,080
Revenue bonds	2011 Series B SRF Brownfield Remediation	513,603	39,000
Revenue bonds	2011 Series A SRF Tenth St Lift Station and Certain other Improvement	20,937,158	1,163,160
Revenue bonds	2011 Series C SRF North WW Treatment Plant	19,603,483	1,328,529
Revenue bonds	2012 SRF WWTP Improvements	11,865,000	1,288,554
Tax anticipation warrants	2013 Sewage Works Anticipation Note BAN	3,300,000	3,320,281
Total Wastewater		<u>99,784,626</u>	<u>11,110,921</u>
Totals		<u>\$ 132,701,238</u>	<u>\$ 14,560,639</u>

SUPPLEMENTAL AUDIT OF  
FEDERAL AWARDS



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

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

***Report on Compliance for the 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 its major federal program for the year ended December 31, 2013. 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 the 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, 2013.

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

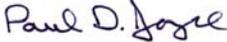
***Report on Internal Control Over Compliance***

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the 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 types 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.

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

July 1, 2015

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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, 2013

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	Indiana Housing and Community Development Authority	14.228	DR2HB-011-001	\$ 246,032
Chronic Flood Homes-Voluntary Acquisition and Demolition				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Indiana Office of Community and Rural Affairs	14.228	MS-12-100	101,854
Main Street Revitalization - Big 4 Streetscape				
Total - CDBG - State-Administered CDBG Cluster				347,886
Total - Department of Housing and Urban Development				347,886
<u>Department of Justice</u>				
Bulletproof Vest Partnership Program Bulletproof Vests	Direct Grant	16.607	2013	15,570
Public Safety Partnership and Community Policing Grants 2009 COPS Technology Program	Direct Grant	16.710	2009-CKWX-0497	51,208
Equitable Sharing Program Police Forfeiture	Direct Grant	16.922	2013	36,535
Juvenile Accountability Block Grants Juvenile Justice Grant	Indiana Criminal Justice Institute	16.523	10-JBFX-0086	7,000
Juvenile Justice Grant		16.523	11-JBFX-0017	6,000
Total - Juvenile Accountability Block Grants				13,000
Total - Department of Justice				116,313
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction	Indiana Department of Transportation			
INDOT - LPA Jeffersonville 10th St Rehabilitation Project		20.205	DES# 0810280	229,854
INDOT - LPA Big Four Bridge Lighting Project		20.205	DES# 1297694	42,470
INDOT - LPA Jeffersonville Floodwall & Floodgate Project		20.205	DES# 1298079	20,218
Total - Highway Planning and Construction				292,542
Total - Highway Planning and Construction Cluster				292,542
Highway Safety Cluster				
State and Community Highway Safety Clark County Traffic Safety Partnership	City of Charlestown	20.600	PT-12-11-04-34	10,253
Alcohol Impaired Driving Countermeasures Incentive Grants I Clark County DUI Taskforce	City of Charlestown	20.601	K8-2013-03-03-05	6,194
Total - Highway Safety Cluster				16,447
Total - Department of Transportation				308,989

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, 2013  
(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>Environmental Protection Agency</u>				
Capitalization Grants for Clean Water State Revolving Funds	Indiana Finance Authority			
State Revolving Fund - 2009 Bonds		66.458	WW06121003	36,154
State Revolving Fund - 2011 Bonds		66.458	WW06121005	816,079
State Revolving Fund - 2011 Series C Bonds		66.458	WW06121006	4,605,535
State Revolving Fund - 2012 Bonds		66.458	WW12102608	<u>4,915,296</u>
Total - Capitalization Grants for Clean Water State Revolving Funds				<u>10,373,064</u>
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements Spring St. Gas Station RLF	Indiana Finance Authority	66.818	2B-00E96801-1	<u>25,713</u>
Total - Environmental Protection Agency				<u>10,398,777</u>
<u>Department of Health and Human Services</u>				
Centers for Disease Control and Prevention_ Investigations and Technical Assistance Bike - Pedi Plan	Indiana State Department of Health	93.283	5U58DP001481-01	<u>1,840</u>
PPHF: State Nutrition, Physical Activity, and Obesity Programs - financed in part by PPHF Bike - Pedi Plan	Indiana State Department of Health	93.548	400361010136013	<u>41,160</u>
Total - Department of Health and Human Services				<u>43,000</u>
<u>Department of Homeland Security</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Hurricane Sandy Relief	Indiana Department of Homeland Security	97.036	38512EMAC	<u>23,513</u>
Assistance to Firefighters Grant Fire Prevention/Safety - Training Grant	Direct Grant	97.044	2011-FR-00547	<u>328,494</u>
Port Security Grant Program Port Security Boat	Larry D. Allen, LLC	97.056	2012-PU-00017-S01	<u>268,743</u>
Total - Department of Homeland Security				<u>620,750</u>
Total federal awards expended				<u>\$ 11,835,715</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 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, 2013:

Program Title	Federal CFDA Number	2013
Juvenile Accountability Block Grant	16.523	<u>\$ 13,000</u>

CITY OF JEFFERSONVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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

Financial Statement:

Type of auditor's report issued:	Disclaimed
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

Dollar threshold used to distinguish between Type A and Type B programs: \$355,071

Auditee qualified as low-risk auditee? no

**Section II - Financial Statement Findings**

**FINDING 2013-001 - PREPARATION OF 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.

During the audit of the SEFA we noted the following errors:

1. The expenditures for the Capitalization Grants for Clean Water State Revolving Funds (CFDA 66.458) were incorrectly reported on the SEFA at 100 percent, instead of the federal percentage.

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

2. The overreporting of expenditures for the Capitalization Grants for Clean Water State Revolving Funds combined with not reporting three federal grants and incorrectly reporting several other federal grants, resulted in amounts on the SEFA being overstated by \$10,305,911.
3. There were numerous errors in reporting Program Title, Project Title, Pass-Through Entity, and CFDA Numbers.

Audit adjustments were proposed, accepted by the City, and made to the SEFA presented in this report.

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:

- (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."

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.

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

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 2013-002 - 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:

*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 cash and investment balances, receipts, and vendor disbursements. The failure to establish these controls could enable material misstatements or irregularities to remain undetected.

During the audit period, monthly bank reconciliations were not being subjected to a review and approval process. City receipts were being collected and posted to the records by the same individual that makes up the daily deposits. Some of the same individuals have the ability to authorize purchases, post vendor disbursements, and authorize and post adjustments to the records.

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 2013-003 - CONDITION OF RECORDS***

We noted the following deficiencies relating to the recordkeeping and in the internal control system of the City relating to financial transactions and reporting:

*Annual Report and Financial Records*

The financial records presented for audit were incomplete and not reflective of the financial activity of several of the City funds as follows:

1. During the audit of the Annual Report to the City's financial records, we noted that the Payroll fund did not include the fourth quarter receipts and disbursements activity totaling \$6,321,468 as a result of a software conversion in October 2013. The City's Annual Report was used to compile the financial statement. Audit adjustments were proposed, accepted by the City, and made to the financial statement presented in this report.

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

2. Some of the financial activity of the WW SRF 2011C Construction fund (Fund 628) was not recorded in the appropriate period. The City posted disbursements based on when pay requests were approved by the local Board, instead of when they were approved by the Indiana Finance Authority (IFA) and later paid from the Bank of New York Trust Account. This timing difference, combined with instances of the IFA approving different amounts for payment, resulted in Fund 628 overreporting receipts of \$182,981, overreporting disbursements of \$726,857, and cash and investments being underreported by \$611,072 at December 31, 2013.
3. Some of the financial activity of the WW SRF 2012 Construction fund (Fund 629) was not recorded in the appropriate period. The City posted disbursements based on when pay requests were approved by the local Board, instead of when they were approved by the IFA and later paid from the Bank of New York Trust Account. This timing difference resulted in Fund 629 overreporting disbursements of \$44,351 and cash and investments being underreported by \$44,351 at December 31, 2013.
4. Some of the financial activity of the WW SRF 2011A Construction fund (Fund 624) was not recorded in the appropriate period. The City posted disbursements based on when pay requests were approved by the local Board, instead of when they were approved by the IFA and later paid from the Bank of New York Trust Account. This timing difference resulted in Fund 624 underreporting disbursements of \$104,783 and beginning cash and investments being underreported by \$104,783. The \$104,783 was incorrectly reported during 2012.
5. The City posted a disbursement for \$319,375 from WW Cumulative Improvement fund (Fund 609) in error, and to correct the error, they posted a disbursement from WW 2010 BAB Construction fund (Fund 615) and a receipt to Fund 609. Correcting the transaction in this manner resulted in overreporting receipts and disbursements on the Annual Report for Fund 609 in the amounts of \$319,375.

*Bank Reconciliations*

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

The City has thirty-five bank accounts and each bank account correlates to several funds of the City. Since some bank accounts are grouped together, twenty separate reconciliations are performed each month. In order to reconcile each month, the City groups the funds together by the corresponding bank accounts and then performs a separate bank reconciliation for each group of funds. During our testing of the City's bank reconciliations at December 31, 2013, we noted the following errors and irregularities, as summarized below:

1. Many of the month end reconciliations were not being conducted in a timely manner and there are still a large number of reconciling items on some accounts that carried over from 2012 and still show as outstanding items at December 31, 2013. Some of these items are still unresolved as of the current date.
2. Five of the twenty bank reconciliations contained unidentified variances ranging from a cash shortage (cash necessary to balance) of \$65,405 to a cash long of \$121,944.
3. The Payroll Account reconciliation still contains some unresolved differences between INPRS and insurance payments withdrawn from the account and actual activity posted to the financial records.

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

4. The Wastewater Account reconciliation included a reconciling item for a December 2013 deposit in the amount of \$151,385 from Clark County for collections of wastewater liens that was not followed-up on and corrected until October 2014.

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 reconciliements allowed 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 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

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)

It has been our policy to recommend only a minimum number of bank accounts in order to avoid unnecessary bookkeeping and possible errors in charging warrants to bank accounts. So long as an ordinance does not require the keeping of a separate bank account, funds should be consolidated into as few accounts as possible. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

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

No matters are reportable.

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AUDITEE PREPARED DOCUMENT

The subsequent document was provided by management of the City. The document is presented as intended by the City.



812-285-6400 office  
812-285-6403 fax  
www.cityofjeff.net

Jeffersonville City Hall  
500 Quartermaster Court  
Jeffersonville, Indiana 47130

State Board of Accounts  
302 West Washington Street Room E418  
Indianapolis, IN 46204-2769

To Whom It May Concern:

FINDING 2013-1 – PREPARATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

Information on how to properly report the grant data has been discussed with auditor and employees trained.

FINDING 2013-2 – INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

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

Policy over internal controls have been created and implemented. New accounting software has been in use since fourth quarter 2013. The new software improves bank reconciliation on-line and accounting reporting.

FINDING 2013-3 – CONDITION OF RECORDS

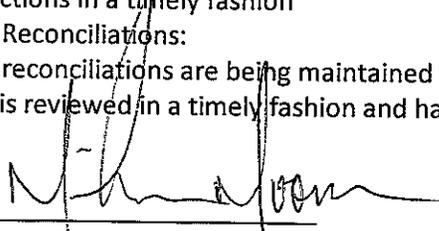
Contact Person: Amy Deering  
Title: Controller  
Phone Number: 812-285-6492

Annual Report and Financial Records:

Information on how to properly report the SRF data has been discussed with auditor and employees trained. The new software has improved reporting and review of funds to identify errors and make corrections in a timely fashion

Bank Reconciliations:

Bank reconciliations are being maintained in financial software implemented in the 4<sup>th</sup> quarter 2013. Data is reviewed in a timely fashion and have improved record keeping.

  
Mike Moore, Mayor

Date: 6-1-15

  
Amy Deering, Director of Finance and Controller

Date: 10-1-15

#### OTHER REPORT

In addition to this report, a Supplemental Compliance Report has been issued for the City. That report can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.