

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

TOWN OF AVON
HENDRICKS COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
07/03/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sharon K. Howell	01-01-12 to 12-31-15
President of the Town Council	Michael C. Rogers	01-01-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE TOWN OF AVON, HENDRICKS COUNTY, INDIANA

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the Town for the year ended December 31, 2012, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 22, 2013, on our consideration of the Town'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 Town's internal control over financial reporting and compliance.

Accompanying Information

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Town's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other reports used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Our audit was conducted for the purpose of forming an opinion on the Town's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

Other Information

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



Bruce Hartman
State Examiner

May 22, 2013



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE TOWN OF AVON, HENDRICKS COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the Town of Avon (Town), which comprises the financial position and results of operations for the year ended December 31, 2012, and the related notes to the financial statement, and have issued our report thereon dated May 22, 2013, wherein we noted the Town followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 item 2012-1 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

As part of obtaining reasonable assurance about whether the Town's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Avon's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bruce Hartman
State Examiner

May 22, 2013

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FINANCIAL STATEMENT

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

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

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12
General	\$ 1,135,072	\$ 3,687,082	\$ 3,292,401	\$ 1,529,753
Motor Vehicle Highway	765,871	926,876	935,718	757,029
Local Road And Street	113,086	126,135	100,000	139,221
Law Enforcement Continuing Ed	22,735	15,898	12,692	25,941
Riverboat	31,977	73,729	69,591	36,115
Rainy Day	873,921	-	-	873,921
Cumulative Capital Development	103,029	190,287	258,504	34,812
Cumulative Capital Improvement	25,066	33,010	19,000	39,076
Cedit Capital Projects	1,546,588	524,419	728,637	1,342,370
Tif Capital Project	5,937,390	2,262,865	2,377,047	5,823,208
Town Court	14,003	335,806	342,614	7,195
DOJ Grant Fund	-	201,900	201,900	-
Tree Mitigation Fund	7,846	17,750	18,232	7,364
Food And Beverage	1,340,061	979,438	934,952	1,384,547
Infrastructure Contribution	110,865	15,520	75,444	50,941
Cops Grant Fund	2,863	2,750	-	5,613
Urban For Grant Fund	5,000	-	-	5,000
Crpf Fund	17,755	3,848	-	21,603
Rdc Ds Reserve	166,481	-	-	166,481
Edit Road Ban Ds	87,859	273,962	259,853	101,968
Brick Paving & Park Improvement	34,566	-	31,750	2,816
2007 Road Bond	247,881	379,857	461,901	165,837
Capital Project Town Hall	673	-	-	673
Flex Agency	215	-	-	215
Health Withholding	20,132	71,580	66,314	25,398
Payroll Withholding	6,838	56,767	90,724	(27,119)
Court Fund	21,566	37,692	44,143	15,115
Totals	<u>\$ 12,639,339</u>	<u>\$ 10,217,171</u>	<u>\$ 10,321,417</u>	<u>\$ 12,535,093</u>

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

TOWN OF AVON
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council 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, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the Town.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

TOWN OF AVON
NOTES TO FINANCIAL STATEMENT
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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

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 repairs and maintenance, and rental charges.

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

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

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.

TOWN OF AVON
NOTES TO FINANCIAL STATEMENT
(Continued)

F. Interfund Transfers

The Town 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 Town. 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 Town. 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 Town 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 Town 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 Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Town 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.

TOWN OF AVON
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 5. Risk Management

The Town 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 Town 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 Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

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

Funding Policy

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

The Town also contributes to an additional pension plan, unique to the Town. Information regarding this plan may be obtained from the Town.

Note 7. Cash Balance Deficit

The financial statement contains one fund with a deficit cash balance at December 31, 2012. The Payroll Withholding Fund is overdrawn as of December 31, 2012, as a result of posting errors related to withholdings and disbursements of the 1977 Police Officers' and Firefighters' Pension and Disability Withholding Fund.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the Town which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The supplementary information presented was approved by management of the Town. It is presented as intended by the Town.

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

	General	Motor Vehicle Highway	Local Road And Street	Law Enforcement Continuing Ed	Riverboat	Rainy Day	Cumulative Capital Development
Cash and investments - beginning	\$ 1,135,072	\$ 765,871	\$ 113,086	\$ 22,735	\$ 31,977	\$ 873,921	\$ 103,029
Receipts:							
Taxes	1,800,592	345,681	-	-	-	-	176,650
Licenses and permits	243,721	-	-	6,665	-	-	-
Intergovernmental	1,440,274	502,370	126,135	-	73,729	-	10,242
Charges for services	58,133	78,825	-	1,438	-	-	-
Fines and forfeits	79,227	-	-	7,795	-	-	-
Other receipts	65,135	-	-	-	-	-	3,395
Total receipts	<u>3,687,082</u>	<u>926,876</u>	<u>126,135</u>	<u>15,898</u>	<u>73,729</u>	<u>-</u>	<u>190,287</u>
Disbursements:							
Personal services	2,268,299	127,539	-	12,692	-	-	-
Supplies	67,815	-	-	-	-	-	-
Other services and charges	799,871	708,179	-	-	37,813	-	41,922
Capital outlay	156,416	100,000	100,000	-	31,778	-	216,582
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>3,292,401</u>	<u>935,718</u>	<u>100,000</u>	<u>12,692</u>	<u>69,591</u>	<u>-</u>	<u>258,504</u>
Excess (deficiency) of receipts over disbursements	<u>394,681</u>	<u>(8,842)</u>	<u>26,135</u>	<u>3,206</u>	<u>4,138</u>	<u>-</u>	<u>(68,217)</u>
Cash and investments - ending	<u>\$ 1,529,753</u>	<u>\$ 757,029</u>	<u>\$ 139,221</u>	<u>\$ 25,941</u>	<u>\$ 36,115</u>	<u>\$ 873,921</u>	<u>\$ 34,812</u>

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

	Cumulative Capital Improvement	Cedit Capital Projects	Tif Capital Project	Town Court	DOJ Grant Fund	Tree Mitigation Fund	Food And Beverage
Cash and investments - beginning	\$ 25,066	\$ 1,546,588	\$ 5,937,390	\$ 14,003	\$ -	\$ 7,846	\$ 1,340,061
Receipts:							
Taxes	-	-	2,258,971	-	-	-	908,706
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	33,010	480,674	-	-	-	-	-
Charges for services	-	-	-	-	201,900	-	3,215
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	43,745	3,894	335,806	-	17,750	67,517
Total receipts	33,010	524,419	2,262,865	335,806	201,900	17,750	979,438
Disbursements:							
Personal services	-	11,250	-	-	-	-	101,098
Supplies	-	-	-	-	-	-	19,942
Other services and charges	-	574,139	2,123,067	-	201,900	18,232	419,814
Capital outlay	19,000	143,248	253,980	-	-	-	394,098
Other disbursements	-	-	-	342,614	-	-	-
Total disbursements	19,000	728,637	2,377,047	342,614	201,900	18,232	934,952
Excess (deficiency) of receipts over disbursements	14,010	(204,218)	(114,182)	(6,808)	-	(482)	44,486
Cash and investments - ending	\$ 39,076	\$ 1,342,370	\$ 5,823,208	\$ 7,195	\$ -	\$ 7,364	\$ 1,384,547

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

	Infrastructure Contribution	Cops Grant Fund	Urban For Grant Fund	Crpf Fund	Rdc Ds Reserve	Edit Road Ban Ds	Brick Paving & Park Improvement
Cash and investments - beginning	\$ 110,865	\$ 2,863	\$ 5,000	\$ 17,755	\$ 166,481	\$ 87,859	\$ 34,566
Receipts:							
Taxes	-	-	-	-	-	259,087	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	2,750	-	-	-	14,875	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	15,520	-	-	3,848	-	-	-
Total receipts	<u>15,520</u>	<u>2,750</u>	<u>-</u>	<u>3,848</u>	<u>-</u>	<u>273,962</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	75,444	-	-	-	-	259,853	31,750
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>75,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,853</u>	<u>31,750</u>
Excess (deficiency) of receipts over disbursements	<u>(59,924)</u>	<u>2,750</u>	<u>-</u>	<u>3,848</u>	<u>-</u>	<u>14,109</u>	<u>(31,750)</u>
Cash and investments - ending	<u>\$ 50,941</u>	<u>\$ 5,613</u>	<u>\$ 5,000</u>	<u>\$ 21,603</u>	<u>\$ 166,481</u>	<u>\$ 101,968</u>	<u>\$ 2,816</u>

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

	2007 Road Bond	Capital Project Town Hall	Flex Agency	Health Withholding	Payroll Withholding	Court Fund	Totals
Cash and investments - beginning	\$ 247,881	\$ 673	\$ 215	\$ 20,132	\$ 6,838	\$ 21,566	\$ 12,639,339
Receipts:							
Taxes	-	-	-	-	-	-	5,749,687
Licenses and permits	-	-	-	-	-	-	250,386
Intergovernmental	379,857	-	-	-	-	-	3,063,916
Charges for services	-	-	-	-	-	-	343,511
Fines and forfeits	-	-	-	-	-	-	87,022
Other receipts	-	-	-	71,580	56,767	37,692	722,649
Total receipts	<u>379,857</u>	<u>-</u>	<u>-</u>	<u>71,580</u>	<u>56,767</u>	<u>37,692</u>	<u>10,217,171</u>
Disbursements:							
Personal services	-	-	-	66,314	90,724	-	2,677,916
Supplies	-	-	-	-	-	-	87,757
Other services and charges	461,901	-	-	-	-	-	5,753,885
Capital outlay	-	-	-	-	-	-	1,415,102
Other disbursements	-	-	-	-	-	44,143	386,757
Total disbursements	<u>461,901</u>	<u>-</u>	<u>-</u>	<u>66,314</u>	<u>90,724</u>	<u>44,143</u>	<u>10,321,417</u>
Excess (deficiency) of receipts over disbursements	<u>(82,044)</u>	<u>-</u>	<u>-</u>	<u>5,266</u>	<u>(33,957)</u>	<u>(6,451)</u>	<u>(104,246)</u>
Cash and investments - ending	<u>\$ 165,837</u>	<u>\$ 673</u>	<u>\$ 215</u>	<u>\$ 25,398</u>	<u>\$ (27,119)</u>	<u>\$ 15,115</u>	<u>\$ 12,535,093</u>

TOWN OF AVON
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Citizens Bank	vehicles	\$ 29,541	06-30-12	12-31-14
First Merchants	vehicles	13,328	03-10-11	09-10-13
First Merchants	vehicles	21,324	05-12-11	11-12-13
Key Government Finance	vehicles	<u>30,711</u>	11-27-11	05-27-14
Total governmental activities		<u>94,904</u>		
Total of annual lease payments		<u>\$ 94,904</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	2007 General Obligation Roads	\$ 3,155,000	\$ 264,415
Revenue bonds	2010 Avon Redevelopment District	615,000	165,032
Revenue bonds	2004 Avon Municipal Facilities Corp. Lease Rev.	1,645,000	162,528
Revenue bonds	2005 Avon Municipal Facilities Corp. Lease Rev.	<u>1,150,000</u>	<u>178,376</u>
Total governmental activities		<u>6,565,000</u>	<u>770,351</u>
Totals		<u>\$ 6,565,000</u>	<u>\$ 770,351</u>

TOWN OF AVON
SCHEDULE OF CAPITAL ASSETS
December 31, 2012

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,000,001
Infrastructure	52,260,145
Buildings	3,272,612
Machinery, equipment, and vehicles	<u>968,943</u>
Total capital assets	<u>\$ 57,501,701</u>

TOWN OF AVON
AUDIT RESULTS AND COMMENTS

ANNUAL REPORT

The Annual Report for 2012 contained a number of errors in reporting the appropriate classification of receipts and did not properly reflect the financial activity of the Town. As a result of these errors in reporting, the detail of receipts reported in the Combining Schedule of Receipts, Disbursements, and Balances contain errors by receipt category as follows:

<u>Category Reported</u>	<u>2012 Reported</u>	<u>SBOA Determination</u>	<u>Variance</u>
Taxes	\$ 5,749,687	\$ 5,321,655	\$ 428,032
Licenses and Permits	250,386	141,759	108,627
Intergovernmental	3,063,916	3,895,506	(831,590)
Charges for Services	343,511	95,310	248,201
Fines and Forfeits	87,022	27,659	59,363
Other Receipts	<u>722,649</u>	<u>735,282</u>	<u>(12,633)</u>
Total Receipts	<u>\$ 10,217,171</u>	<u>\$ 10,217,171</u>	<u>\$ -</u>

Additionally, the grant information provided with the Annual Report which is used to prepare the Schedule of Federal Expenditures was not complete. The Town reported one grant on the annual report with total expenditures of \$199,971. Financial activity of the Town identified three grant programs with total federal expenditures in the amount of \$717,391.

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."

OVERDRAWN CASH BALANCES

The Payroll Withholding Fund was overdrawn as of December 31, 2012, in the amount of \$27,119.

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

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE TOWN OF AVON, HENDRICKS COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the Town of Avon's (Town) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2012. The Town'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 Town'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 Town'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 Town's compliance.

Basis for Qualified Opinion on Highway Planning and Construction Cluster

As described in item 2012-2 in the accompanying Schedule of Findings and Questioned Costs, the Town did not comply with requirements regarding Cash Management that are applicable to its Highway Planning and Construction Cluster. Compliance with such requirements is necessary, in our opinion, for the Town to comply with requirements applicable to that program.

Qualified Opinion on Highway Planning and Construction Cluster

In our opinion, except for the noncompliance described in the "Basis for Qualified Opinion" paragraph, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Highway Planning and Construction Cluster for the year ended December 31, 2012.

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

Other Matters

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

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the type of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2012-2 to be material weaknesses.

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

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



Bruce Hartman
State Examiner

May 22, 2013

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

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

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>Department of Transportation</u>				
Highway Planning and Construction Cluster				
Highway Planning and Construction				
	Indiana Department of Transportation	20.205		
A249-09-320239			DES 0800405	\$ 203,439
A249-09-320726			DES 0401033	63,632
A249-09-320873			DES 0810281	15,218
A249-09-320927			DES 0800405	54,815
A249-10-320942			DES 0710508	25,159
A249-12-320100A			DES 1172484	82,404
A249-12-320106A			DES 1006094	40,275
A249-12-320109A			DES 1172320	<u>26,550</u>
Total - Highway Planning and Construction				<u>511,492</u>
Total - Highway Planning and Construction Cluster				<u>511,492</u>
Highway Safety Cluster				
Safety Belt Performance Grants				
	Indiana Department of Transportation	20.609		
OP 12040247			D3-12-6496	<u>5,928</u>
Total - Department of Transportation				<u>517,420</u>
<u>Department of Homeland Security</u>				
Buffer Zone Protection Program (BZPP)				
	Indiana Department of Homeland Security	97.078		
2009 BZPP Local			C44P-2-045A	<u>199,971</u>
Total - Department of Homeland Security				<u>199,971</u>
Total federal awards expended				<u>\$ 717,391</u>

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

TOWN OF AVON
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Avon 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.

TOWN OF AVON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

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

We recommended that internal controls be implemented and properly maintained to ensure complete and accurate reporting of grant expenditures on the Schedule of Expenditures of Federal Awards.

Section III – Federal Award Findings and Questioned Costs

FINDING 2012-2 - CASH MANAGEMENT

Federal Agency: Department of Transportation

Federal Program: Highway Planning and Construction

CFDA Number: 20.205

Federal Award Number and Year (or Other Identifying Number): DES Numbers 0401033, 0800405, 0710508 and 1172484

Pass-Through Entity: Indiana Department of Transportation

Management of the Town of Avon has not established an effective internal control system, including segregation of duties, related to the grant agreement and requirements governing cash management.

The Town did not create procedures to ensure vendor invoices were paid prior to requesting reimbursement of program costs. Reimbursements were requested by the Town from the Indiana Department of Transportation prior to vendor invoices being paid in four of the ten award reimbursements received during January 1, 2012 to December 31, 2012.

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

49 CFR 18.20(b)(7) states:

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

TOWN OF AVON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

49 CFR 18.21 states in part:

"(a) *Scope*. This section prescribes the basic standard and the methods under which a Federal agency will make payments to grantees, and grantees will make payments to subgrantees and contractors.

(b) *Basic standard*. Methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205.

(c) *Advances*. Grantees and subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.

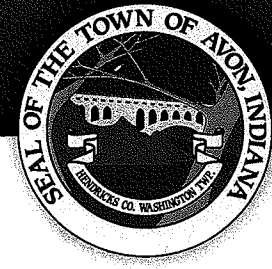
(d) *Reimbursement*. Reimbursement shall be the preferred method when the requirements in paragraph (c) of this section are not met. Grantees and subgrantees may also be paid by reimbursement for any construction grant. Except as otherwise specified in regulation, Federal agencies shall not use the percentage of completion method to pay construction grants. The grantee or subgrantee may use that method to pay its construction contractor, and if it does, the awarding agency's payments to the grantee or subgrantee will be based on the grantee's or subgrantee's actual rate of disbursement."

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

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

The failure to properly develop and implement procedures to ensure vendor invoices are paid prior to requesting reimbursement from the Indiana Department of Transportation may cause future funding to be reduced by the pass-through agency.

We recommended that the Town's management establish controls, including segregation of duties, related to the grant agreement and cash management requirements by properly developing and implementing procedures to ensure vendor invoices have been paid prior to requesting reimbursement from the Indiana Department of Transportation.



Corrective Action Plan
Town of Avon, Indiana
December 31, 2012

Section II – Financial Statement Findings

Finding 2012-1

Incomplete disclosure of the grants on the Annual Report that passed through the Indiana Department of Transportation (CFDA #'s 20.205 and 20.609) was merely an oversight at the time of data entry for the Gateway Annual Reporting. The corrective action plan will include correction of the grant disclosure as needed from the Town's records for the 2012 report, and verification of all expenditure related to federal awards in subsequent years for inclusion in the report.

Section III – Federal Award Findings and Questioned Costs

Finding 2012-2

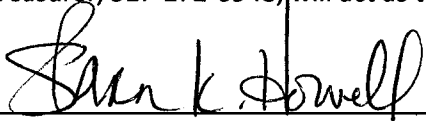
CFDA NO: 20.205

This finding appears to be procedural, rather than the failure of the Local Public Agency to "establish an effective internal control system, including segregation of duties, related to the grant agreement...that have a material effect to the program" for the four reimbursements cited. Therefore, the Local Public Agency (as auditee) does not agree with this audit finding.

<u>DES #</u>	<u>CFDA #</u>	<u>Vendor</u>	<u>Date of</u>	<u>Actual</u>	<u>Date Vendor</u>
		<u>Invoice Date</u>	<u>Reimbursement</u>	<u>Reimbursement</u>	<u>Paid by Sub-</u>
			<u>Request</u>	<u>Date</u>	<u>Recipient</u>
0401033	20.205	12/06/11	01/17/12	02/21/12	01/19/12
0800405	20.205	04/24/12	06/21/12	08/27/12	08/23/12
0710508	20.205	03/15/12	08/27/12	10/01/12	10/25/12
1172484	20.205	08/01/12	08/24/12	09/28/12	09/27/12

It is noted that the remaining six reimbursement requests were submitted after the vendor check was released by the Local Public Agency. All amounts paid to the vendors were for the invoiced amounts and in proper form other than the cited reimbursement requests that were made before the check was released to the vendor, and with the exception of DES # 0710508, reimbursement was not received until after the vendor was paid. The Director of Public Works was relying on verbal representation of the Indiana State Department of Transportation that reimbursement could be requested conterminously with invoice payments if the Local Public Agency didn't have the cash balance necessary to float the entire amount of State reimbursement, as happened in prior years.

As a proposed corrective action plan the Director of Public Works will continue to process reimbursement requests, adding a verification step to insure that the vendor check has been released prior to processing the request, or approval for advance consideration is received in writing from the Indiana State Department of Transportation and retained in the file for audit purposes. The Clerk Treasurer will continue to process vendor payments, the Town Council will collectively continue to approve reimbursement agreements and claims of the Town (as Local Public Agency), and the Director of Public Works will continue to work under the supervision of the Town Manager. Sharon Howell, Clerk Treasurer, 317-272-0948, will act as the contact person responsible for this corrective action.

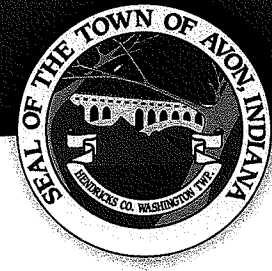
A handwritten signature in cursive script, reading "Sharon K. Howell", written over a horizontal line.

Sharon K. Howell, Clerk-Treasurer
Town of Avon

TOWN OF AVON
EXIT CONFERENCE

The contents of this report were discussed on May 22, 2013, with Sharon K. Howell, Clerk-Treasurer; Michael C. Rogers, President of the Town Council; and Tom Klein, Town Manager. The Official Response has been made a part of this report and may be found on page 36.

TOWN OF AVON



May 31, 2013

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

Re: Town of Avon, Indiana (the "Town")
Report ending December 31, 2012

Dear Sir or Madam:

The purpose of this letter is to clarify the Town's position in the referenced report specifically relating to the (1) Annual Report, and (2) Overdrawn Cash Balances.

Annual Report - As you are aware, the Town has strived to structure its accounting codes and numbers with suggested codes in the "Cities and Towns Manual" since its incorporation in 1995. The Town acknowledges that some numbers need updated to better reflect the current sources of revenue for reporting purposes. It is noted that no comments or suggestions had been made in prior reports, for which the same structure was utilized. The Town does take exception with the presentation of the finding by citing variances for "taxes" and "intergovernmental" independently, when in fact the Cities and Towns Annual Report (CTAR) Gateway reporting system aggregates the two revenue classifications. Had the town been afforded the opportunity to independently classify these revenues, the cited variances between "taxes and "intergovernmental" where they intersect likely would not exist. Moving forward as a corrective action plan, the Town will review all account numbers to insure they better correspond with the current suggested revenue classification structure, while continuing to report total revenues accurately. The Town will also investigate the feasibility of systemic solutions to link reporting with their finance software provider, to further limit any interpretive variances.

Due to the limited number of grant transactions and the need to report data no later than 60 days after the close of the fiscal year, inclusion of the two grant sources was an oversight. The town will review their grant reimbursement procedures to insure all sources are included in future years.

Overdrawn Cash Balance - The negative cash position in the Payroll Withholding Fund was the result of a timing issue at the end of the fiscal period and the result of the conversion from Indiana Public Retirement System (INPRS) reporting from quarterly to by payroll period. An adjusting entry has already been posted to rectify the negative position based upon the auditor's analysis.

The Town appreciates the opportunity to clarify their position, and your consideration and inclusion thereof.

Sincerely,

Sharon K Howell, Clerk Treasurer
Town of Avon