



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

August 31, 2021

To: The Officials of the City of Jeffersonville
City of Jeffersonville
City-County Bldg
Jeffersonville, IN 47130

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the City of Jeffersonville. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2021 to December 31, 2021. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the cash and investment balances of the City as of December 31, 2021, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

We call your attention to the finding included in the report on pages 32-34. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan appears on pages 38-39.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for the City of Jeffersonville was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

CITY OF JEFFERSONVILLE
Clark County, Indiana

FINANCIAL STATEMENT
December 31, 2021

CITY OF JEFFERSONVILLE
Clark County, Indiana

FINANCIAL STATEMENT
December 31, 2020

CONTENTS

SCHEDULE OF OFFICIALS (UNAUDITED)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS.....	5
NOTES TO FINANCIAL STATEMENT.....	7
SUPPLEMENTARY INFORMATION	
COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS (UNAUDITED)	13
SCHEDULE OF PAYABLES AND RECEIVABLES (UNAUDITED).....	20
SCHEDULE OF LEASES AND DEBT (UNAUDITED)	21
SCHEDULE OF CAPITAL ASSETS (UNAUDITED)	22
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	23
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	25
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.....	26
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE.....	28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	31
OTHER REPORT.....	35
EXIT CONFERENCE.....	36

CITY OF JEFERSONVILE
SCHEDULE OF OFFICIALS (Unaudited)
December 31, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Heather Metcalf	01-01-21 to 12-31-21
Mayor	Mike Moore	01-01-21 to 12-31-21
President of the Board of Public Works and Safety	Mike Moore	01-01-21 to 12-31-21
President of the Common Council	Matt Owen	01-01-21 to 12-31-21

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
City of Jeffersonville
Clark County, Indiana

Report on the Audit of the Financial Statement***Opinions***

We have audited the accompanying statement of receipts, disbursements, and cash and investment balances of the City of Jeffersonville (the City) as of and for the year ended December 31, 2021, and the related notes (the financial statement).

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above present fairly, in all material respects, the cash and investment balances of the City as of December 31, 2021, and its cash receipts and disbursements for the year then ended in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

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 below does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2021, or changes in net position or cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

(Continued)

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the 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) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year from the date the financial statement is available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Officials, Supplementary Information Schedules, and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the financial statement. Such information is the responsibility of management and, except for that portion marked "unaudited," was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statement. That 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, that information is fairly stated in all material respects in relation to the financial statement as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2022 our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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.


Crowe LLP

Indianapolis, Indiana
August 10, 2022

CITY OF JEFFERSONVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2021

<u>Fund</u>	Cash and Investments <u>01-01-21</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-21</u>
General Fund	\$ 10,419,187	\$ 36,144,620	\$ 34,858,874	\$ 11,704,933
Street Dept MVH	1,418,319	903,055	1,303,657	1,017,717
LOCAL ROADS & STREETS	1,635,506	931,269	1,409,825	1,156,950
Street Dept MVH - Restricted	411,283	1,031,446	480,258	962,471
Building Demolition	133,585	46,057	45,982	133,660
SANITATION	918,131	2,562,060	2,283,155	1,197,036
CLERKS RECORD PERPETUAT	9,802	56	-	9,858
SHARE OF GAMING REVENUES	534,562	265,984	172,000	628,546
PARK & RECREATION	960,682	2,848,370	2,649,370	1,159,682
RAINY DAY FUND	4,477,614	-	-	4,477,614
ECONOMIC DEV INCOME TAX	2,310,502	3,208,170	2,953,170	2,565,502
Cumulative Capital Improvement - Cigaret	265,099	92,361	165,066	192,394
CUM. CAPITAL DEVELOPMENT	772,534	212,755	799,205	186,084
POLICE PENSION	308,047	810,285	847,107	271,225
FIRE PENSION	597,987	1,398,453	1,379,773	616,667
PUBLIC SAFETY - LOIT	3,275,304	3,535,676	3,025,730	3,785,250
Local Law Enforcement Continuing Educati	185,236	70,899	11,582	244,553
LOIT Special Distribution	543,360	-	543,360	-
DONATIONS	114,157	59,866	133,663	40,360
GRANT - YOUTH COALITION	6,422	-	6,422	-
FEDERAL ASSET FORFEITURE	431,746	76,123	228,014	279,855
COVID-19 Phase 2 (2020) & Phase 3 (2021)	-	190,000	190,000	-
ARP Fiscal Recovery Fund	-	5,433,524	3,819,329	1,614,195
PETTY CASH	485	-	-	485
CASH CHANGE	1,605	50	-	1,655
Parks Activity	143,385	809,236	716,187	236,434
Planning and Place-Making Improvements	38,041	17,791	8,493	47,339
RIVERSTAGE	66,053	247,961	251,934	62,080
VEHICLE MAIN FUEL & REP	773,960	828,307	923,834	678,433
CITY ATTORNEY DIVERSN FND	6,561	-	-	6,561
CITY PRIDE COMMITTEE NR	12,693	10,000	20,084	2,609
THUNDER COMMITTEE NON-REV	51,587	-	5,001	46,586
PUBLIC ARTS	93,780	87,064	91,287	89,557
SPRINT LEASE NON REVERTIN	171,548	16,276	-	187,824
ECONOMIC DEV ABATEMENT	447,326	34,158	30,000	451,484
DEPARTMENT OF LAW N/R	3,358	-	-	3,358
POLICE NON-REVERTING FUND	90,362	24,019	35,752	78,629
JEFF BLDG AUT OPER N/R	1,032,711	367,962	322,972	1,077,701
ANIMAL SHEL. SPAY/NEU PRO	2,213	49,952	39,851	12,314
JEFF POLICE FORFEITURE	22,324	6,433	-	28,757
CONTINUING EDUCATION	41,117	-	41,117	-
REDEVELOPMENT OPERATING	1,534,967	961,488	563,053	1,933,402
REDEVELOPMENT CASI	249,689	-	41,886	207,803
REDEV REVOLVING LOAN	532,907	12,806	-	545,713
2008 Redev Bond - Sinking	-	248,589	248,588	1
2008 Redev Bond DSR	257,191	1,289	-	258,480
2013 Falls Land Ser A DSR	159,256	-	-	159,256
2013 ICR Series B DSR	778,372	-	-	778,372
2013 Falls Land Ser C DSR	400,469	-	-	400,469

(Continued)

CITY OF JEFFERSONVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2021

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21
2013 ICR Series D DSR	274,635	-	-	274,635
2013 ICR Series E DSR	128,163	-	-	128,163
INNER CITY ROAD TIF	12,869,291	11,619,966	6,382,844	18,106,413
FALLS LANDING TIF	3,787,589	3,151,395	2,408,222	4,530,762
BETHNOVA TIF	289,730	234,336	82,400	441,666
KEYSTONE TIF	530,527	206,164	509,095	227,596
GALVSTAR TIF	3,778,753	1,126,272	616,653	4,288,372
VOGT VALVE TIF	1,959,098	842,375	336,269	2,465,204
Port Grant 2021 - Federal Grant	-	237,870	6,562	231,308
Tourism Bond 2017 & 2021	53,623	500,208	553,830	1
2018 EPA Brownfields Assesment Grant	-	44,349	43,030	1,319
2020 Police Grant	(1,172)	4,750	-	3,578
2020 A Community Crossing Grant	636,851	-	636,851	-
2020 B Community Crossing Grant	-	463,200	463,200	-
2021 B Community Crossing	-	1,542,771	1,491,921	50,850
2013 C Contruccion Police Proceeds	77,960	-	-	77,960
JEFF BLDG AUT CAP IMP RES	418,113	70,000	19,353	468,760
8th St. StormSewer Separation Project	2,000,000	-	2,000,000	-
Nachand Fieldhouse Rehabilitation	214,969	1,000	215,969	-
SPRING STREET MASTER PLAN IMPLEMENTATION	129,416	-	127,460	1,956
SIDEWALK CONSTRUCTION	430,751	500,000	252,880	677,871
Self-Insurance	2,686,077	10,197,177	9,494,554	3,388,700
COURT MONEY DUE TO STATE	6,140	-	6,140	-
Payroll	72,279	13,145,029	13,147,845	69,463
Storm Water Utility Operating	1,124,925	2,423,198	2,608,880	939,243
SEWAGE OPERATING & MAINT.	3,910,277	20,127,548	21,627,035	2,410,790
Sewage Utility Bond and Interest Sinking	2,846,601	3,542,138	5,859,379	529,360
Sewage Utility Construction (in progress	2,586,764	6,742,702	6,606,372	2,723,094
PETTY CASH	300	-	-	300
CASH CHANGE	300	-	-	300
WW CAPACITY FEE	8,946,265	4,152,803	1,900	13,097,168
Wastewater Pre-Treatment	60,376	15,224	525	75,075
WW SRF SINKING FUND	3,069,431	3,884,066	6,945,422	8,075
2020 WW SRF O&M Reserve	1,751,600	-	-	1,751,600
WW DEBT SERVICE RESERVE FUND	8,160,897	816	125,226	8,036,487
WW 2020A SRF CONSTRUCTION	10,004,478	674	8,140,825	1,864,327
WW 2020B SRF CONSTRUCTION	22,429,833	42,247	14,830,329	7,641,751
WW 2020 REFUNDING REV OF 2008&2009	18,590	-	-	18,590
WW 2021 Refunding Rev of 2010A&2011A	-	155,566	144,503	11,063
Totals	<u>\$ 131,894,455</u>	<u>\$ 148,518,254</u>	<u>\$ 166,331,055</u>	<u>\$ 114,081,654</u>

See Independent Auditor's Report and notes to financial statement.

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL STATEMENT
December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The City of Jeffersonville (the City) was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City

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 (GAAP), 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. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

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.

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

Taxes. Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's 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. Amounts received from businesses, occupations, or non-businesses 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 the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts. Amounts received 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. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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.

(Continued)

CITY OF JEFFERSONVILLE
NOTES TO FINANCIAL STATEMENT
December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fines and forfeits. Amounts received 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. Amounts received from charges for current services.

Other receipts. 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.

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

Personal services. Amounts disbursed 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. Amounts disbursed for 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. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

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

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses. Amounts disbursed for operating the utilities.

Other disbursements. Amounts disbursed for various purposes including, but not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, lease agreements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

Interfund Transfers: The City may, from time to time, make transfers 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.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting: Separate funds are established, maintained, and reported by the City. Each fund is used to account for amounts 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 amounts 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 City 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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) 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 (PDIF). 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, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units. Given the limited investment parameters applicable under state statute, certain risks, such as credit, custodial, concentration, and interest rate are not deemed significant.

The City held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable.

(Continued)

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 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.

The City has purchased insurance to address the risks described above.

NOTE 6 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS. The City made contributions to the PERF plan during the year(s) under audit. The contribution rate was 11.2% for the year under audit.

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.

(Continued)

NOTE 6 - PENSION PLANS (Continued)

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.

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.

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, providing retirement, disability, and survivor benefits.

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.

Financial Report

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:

(Continued)

NOTE 6 - PENSION PLANS (Continued)

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

The contribution requirements of plan members and the District are established by the Board of Trustees of INPRS based on actuarial valuation. Employers may pay all or part of the member contribution for the member.

NOTE 7 - JEFFERSONVILLE REDEVELOPMENT AUTHORITY

The City has entered into capital leases with 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 because the Jefferson Redevelopment Authority was created as a conduit for financing debt transactions in coordination with the Jeffersonville Redevelopment Commission. Lease payments during the year totaled \$2,896,444.

NOTE 8 - OTHER POSTEMPLOYMENT BENEFITS

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

SUPPLEMENTAL SCHEDULES

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	General Fund	Street Dept MVH	LOCAL ROADS & STREETS	Street Dept MVH - Restricted	Building Demolition	SANITATION	CLERKS RECORD PERPETUAT	SHARE OF GAMING REVENUES	PARK & RECREATION	RAINY DAY FUND	ECONOMIC DEV INCOME TAX	Cumulative Capital Improvement - Cigaret	CUM. CAPITAL DEVELOPMENT	POLICE PENSION
Cash and investments - beginning	\$ 10,419,187	\$ 1,418,319	\$ 1,635,506	\$ 411,283	\$ 133,585	\$ 918,131	\$ 9,802	\$ 534,562	\$ 960,682	\$ 4,477,614	\$ 2,310,502	\$ 265,099	\$ 772,534	\$ 308,047
Receipts:														
Taxes	31,944,856	-	-	-	-	2,281,384	-	-	2,543,671	-	-	-	197,951	-
Licenses and permits	1,512,103	32,462	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	1,790,735	854,446	918,166	1,031,446	-	170,618	-	265,984	190,234	-	3,175,956	92,361	14,804	810,285
Charges for services	219,514	-	-	-	46,057	103,825	-	-	42,858	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	56	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	677,412	16,147	13,103	-	-	6,233	-	-	71,607	-	32,214	-	-	-
Total receipts	36,144,620	903,055	931,269	1,031,446	46,057	2,562,060	56	265,984	2,848,370	-	3,208,170	92,361	212,755	810,285
Disbursements:														
Personal services	22,422,201	832,053	-	-	-	1,365,727	-	-	1,660,574	-	-	-	-	847,057
Supplies	511,804	24,991	221,233	53,603	-	218,736	-	-	27,568	-	269,944	16,660	-	-
Other services and charges	11,320,833	31,252	8,000	95,386	45,982	607,042	-	22,000	911,228	-	367,628	16,840	-	50
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	277,036	415,361	645,592	8,637	-	91,650	-	-	-	-	1,255,598	131,566	789,205	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	327,000	-	535,000	322,632	-	-	-	150,000	50,000	-	1,060,000	-	10,000	-
Total disbursements	34,858,874	1,303,657	1,409,825	480,258	45,982	2,283,155	-	172,000	2,649,370	-	2,953,170	165,066	799,205	847,107
Excess (deficiency) of receipts over disbursements	1,285,746	(400,602)	(478,556)	551,188	75	278,905	56	93,984	199,000	-	255,000	(72,705)	(586,450)	(36,822)
Cash and investments - ending	\$ 11,704,933	\$ 1,017,717	\$ 1,156,950	\$ 962,471	\$ 133,660	\$ 1,197,036	\$ 9,858	\$ 628,546	\$ 1,159,682	\$ 4,477,614	\$ 2,565,502	\$ 192,394	\$ 186,084	\$ 271,225

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	FIRE PENSION	PUBLIC SAFETY - LOIT	Local Law Enforcement Continuing Educati	LOIT Special Distribution	DONATIONS	GRANT - YOUTH COALITION	FEDERAL ASSET FORFEITURE	COVID-19 Phase 2 (2020) & Phase 3 (2021)	ARP Fiscal Recovery Fund	PETTY CASH	CASH CHANGE	Parks Activity	Planning and Place-Making Improvements	RIVERSTAGE
Cash and investments - beginning	\$ 597,987	\$ 3,275,304	\$ 185,236	\$ 543,360	\$ 114,157	\$ 6,422	\$ 431,746	\$ -	\$ -	\$ 485	\$ 1,605	\$ 143,385	\$ 38,041	\$ 66,053
Receipts:														
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	13,554	-	-	-	-	-	-	-	-	-	14,791	-
Intergovernmental receipts	1,398,453	3,516,704	-	-	-	-	-	170,000	5,432,765	-	-	-	3,000	-
Charges for services	-	-	15,978	-	-	-	-	-	-	-	-	490,077	-	28,336
Fines and forfeits	-	-	250	-	-	-	76,123	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	18,972	41,117	-	59,866	-	-	20,000	759	-	50	319,159	-	219,625
Total receipts	1,398,453	3,535,676	70,899	-	59,866	-	76,123	190,000	5,433,524	-	50	809,236	17,791	247,961
Disbursements:														
Personal services	1,378,429	-	-	-	-	-	-	-	-	-	-	209,367	-	-
Supplies	1,275	391,526	-	-	-	-	-	-	-	-	-	158,765	5,908	16,691
Other services and charges	69	1,540,266	11,582	-	54,274	6,422	71,652	190,000	-	-	-	317,170	2,585	235,243
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	1,061,938	-	543,360	74,773	-	154,574	-	3,819,329	-	-	30,885	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	32,000	-	-	4,616	-	1,788	-	-	-	-	-	-	-
Total disbursements	1,379,773	3,025,730	11,582	543,360	133,663	6,422	228,014	190,000	3,819,329	-	-	716,187	8,493	251,934
Excess (deficiency) of receipts over disbursements	18,680	509,946	59,317	(543,360)	(73,797)	(6,422)	(151,891)	-	1,614,195	-	50	93,049	9,298	(3,973)
Cash and investments - ending	\$ 616,667	\$ 3,785,250	\$ 244,553	\$ -	\$ 40,360	\$ -	\$ 279,855	\$ -	\$ 1,614,195	\$ 485	\$ 1,655	\$ 236,434	\$ 47,339	\$ 62,080

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	VEHICLE MAIN FUEL & REP	CITY ATTORNEY DIVERSN FND	CITY PRIDE COMMITTEE NR	THUNDER COMMITTEE NON-REV	PUBLIC ARTS	SPRINT LEASE NON REVERTIN	ECONOMIC DEV ABATEMENT	DEPARTMENT OF LAW N/R	POLICE NON-REVERTING FUND	JEFF BLDG AUT OPER N/R	ANIMAL SHEL. SPAY/NEU PRO	JEFF POLICE FORFEITURE	CONTINUING EDUCATION
Cash and investments - beginning	\$ 773,960	\$ 6,561	\$ 12,693	\$ 51,587	\$ 93,780	\$ 171,548	\$ 447,326	\$ 3,358	\$ 90,362	\$ 1,032,711	\$ 2,213	\$ 22,324	\$ 41,117
Receipts:													
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	9,750	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	1,894	16,276	34,158	-	22,449	320,000	48,138	6,433	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	1,814	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	828,307	-	10,000	-	75,420	-	-	-	1,570	47,962	-	-	-
Total receipts	828,307	-	10,000	-	87,064	16,276	34,158	-	24,019	367,962	49,952	6,433	-
Disbursements:													
Personal services	-	-	-	-	-	-	-	-	-	13,473	-	-	-
Supplies	923,834	-	16,211	5,001	19,612	-	-	-	22,000	16,620	-	-	-
Other services and charges	-	-	3,873	-	45,108	-	30,000	-	13,752	274,487	39,851	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	26,567	-	-	-	-	18,392	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-	-	-	-	41,117
Total disbursements	923,834	-	20,084	5,001	91,287	-	30,000	-	35,752	322,972	39,851	-	41,117
Excess (deficiency) of receipts over disbursements	(95,527)	-	(10,084)	(5,001)	(4,223)	16,276	4,158	-	(11,733)	44,990	10,101	6,433	(41,117)
Cash and investments - ending	\$ 678,433	\$ 6,561	\$ 2,609	\$ 46,586	\$ 89,557	\$ 187,824	\$ 451,484	\$ 3,358	\$ 78,629	\$ 1,077,701	\$ 12,314	\$ 28,757	\$ -

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	REDEVELOPMENT OPERATING	REDEVELOPMENT CASI	REDEV REVOLVING LOAN	2008 Redev Bond - Sinking	2008 Redev Bond DSR	2013 Falls Land Ser A DSR	2013 ICR Series B DSR	2013 Falls Land Ser C DSR	2013 ICR Series D DSR	2013 ICR Series E DSR	INNER CITY ROAD TIF	FALLS LANDING TIF	BETHNOVA TIF
Cash and investments - beginning	\$ 1,534,967	\$ 249,689	\$ 532,907	\$ -	\$ 257,191	\$ 159,256	\$ 778,372	\$ 400,469	\$ 274,635	\$ 128,163	\$ 12,869,291	\$ 3,787,589	\$ 289,730
Receipts:													
Taxes	-	-	-	-	-	-	-	-	-	-	11,618,770	2,651,395	234,336
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	71,198	-	12,806	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	890,290	-	-	248,589	1,289	-	-	-	-	-	1,196	500,000	-
Total receipts	961,488	-	12,806	248,589	1,289	-	-	-	-	-	11,619,966	3,151,395	234,336
Disbursements:													
Personal services	310,087	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	8,175	-	-	-	-	-	-	-	-	-	-	-	-
Other services and charges	235,291	-	-	-	-	-	-	-	-	-	94,358	86,442	-
Debt service - principal and interest	-	41,886	-	248,588	-	-	-	-	-	-	1,491,438	553,081	-
Capital outlay	9,500	-	-	-	-	-	-	-	-	-	4,398,460	1,768,699	82,400
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-	-	398,588	-	-
Total disbursements	563,053	41,886	-	248,588	-	-	-	-	-	-	6,382,844	2,408,222	82,400
Excess (deficiency) of receipts over disbursements	398,435	(41,886)	12,806	1	1,289	-	-	-	-	-	5,237,122	743,173	151,936
Cash and investments - ending	\$ 1,933,402	\$ 207,803	\$ 545,713	\$ 1	\$ 258,480	\$ 159,256	\$ 778,372	\$ 400,469	\$ 274,635	\$ 128,163	\$ 18,106,413	\$ 4,530,762	\$ 441,666

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	KEYSTONE TIF	GALVSTAR TIF	VOGT VALVE TIF	Port Grant 2021 Federal Grant	Tourism Bond 2017 & 2021	2018 EPA Brownfields Assesment Grant	2020 Police Grant	2020 A Community Crossing Grant	2020 B Community Crossing Grant	2021 B Community Crossing	2013 C Construction Police Proceeds	JEFF BLDG AUT CAP IMP RES
Cash and investments - beginning	\$ 530,527	\$ 3,778,753	\$ 1,959,098	\$ -	\$ 53,623	\$ -	\$ (1,172)	\$ 636,851	\$ -	\$ -	\$ 77,960	\$ 418,113
Receipts:												
Taxes	206,164	1,126,272	842,375	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	237,870	-	44,349	4,750	-	231,600	685,139	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	70,000
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	500,208	-	-	-	231,600	857,632	-	-
Total receipts	206,164	1,126,272	842,375	237,870	500,208	44,349	4,750	-	463,200	1,542,771	-	70,000
Disbursements:												
Personal services	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	43,030	-	-	-	-	-	19,353
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	277,495	616,653	336,269	6,562	553,830	-	-	636,851	463,200	1,491,921	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other disbursements	231,600	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	509,095	616,653	336,269	6,562	553,830	43,030	-	636,851	463,200	1,491,921	-	19,353
Excess (deficiency) of receipts over disbursements	(302,931)	509,619	506,106	231,308	(53,622)	1,319	4,750	(636,851)	-	50,850	-	50,647
Cash and investments - ending	\$ 227,596	\$ 4,288,372	\$ 2,465,204	\$ 231,308	\$ 1	\$ 1,319	\$ 3,578	\$ -	\$ -	\$ 50,850	\$ 77,960	\$ 468,760

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	8th St. StormSewer Separation Project	Nachand Fieldhouse Rehabilitation	SPRING STREET MASTER PLAN IMPLEMENTATION	SIDEWALK CONSTRUCTION	Self-Insurance	COURT MONEY DUE TO STATE	Payroll	Storm Water Utility Operating	SEWAGE OPERATING & MAINT.	Sewage Utility Bond and Interest Sinking	Sewage Utility Construction (in progress)	PETTY CASH
Cash and investments - beginning	\$ 2,000,000	\$ 214,969	\$ 129,416	\$ 430,751	\$ 2,686,077	\$ 6,140	\$ 72,279	\$ 1,124,925	\$ 3,910,277	\$ 2,846,601	\$ 2,586,764	\$ 300
Receipts:												
Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	2,366,188	19,854,000	-	-	-
Other receipts	-	1,000	-	500,000	10,197,177	-	13,145,029	57,010	273,548	3,542,138	6,742,702	-
Total receipts	-	1,000	-	500,000	10,197,177	-	13,145,029	2,423,198	20,127,548	3,542,138	6,742,702	-
Disbursements:												
Personal services	-	-	-	-	-	-	-	642,263	3,598,454	-	-	-
Supplies	-	-	-	-	63	-	-	-	-	-	-	-
Other services and charges	-	-	110,210	76,292	9,494,491	-	-	314,938	1,429,332	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-	5,859,379	-	-
Capital outlay	2,000,000	215,969	17,250	176,588	-	-	-	161,609	545,758	-	5,432,678	-
Utility operating expenses	-	-	-	-	-	-	-	1,141,868	1,429,550	-	-	-
Other disbursements	-	-	-	-	-	6,140	13,147,845	348,202	14,623,941	-	1,173,694	-
Total disbursements	2,000,000	215,969	127,460	252,880	9,494,554	6,140	13,147,845	2,608,880	21,627,035	5,859,379	6,606,372	-
Excess (deficiency) of receipts over disbursements	(2,000,000)	(214,969)	(127,460)	247,120	702,623	(6,140)	(2,816)	(185,682)	(1,499,487)	(2,317,241)	136,330	-
Cash and investments - ending	\$ -	\$ -	\$ 1,956	\$ 677,871	\$ 3,388,700	\$ -	\$ 69,463	\$ 939,243	\$ 2,410,790	\$ 529,360	\$ 2,723,094	\$ 300

(Continued)

CITY OF JEFFERSONVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS (UNAUDITED)
 For the Year Ended December 31, 2021

	CASH CHANGE	WW CAPACITY FEE	Wastewater Pre-Treatment	WW SRF SINKING FUND	2020 WW SRF O&M Reserve	WW DEBT SERVICE RESERVE FUND	WW 2020A SRF CONSTRUCTION	WW 2020B SRF CONSTRUCTION	WW 2020 REFUNDING REV OF 2008&2009	WW 2021 Refunding Rev of 2010A&2011A	Totals
Cash and investments - beginning	\$ 300	\$ 8,946,265	\$ 60,376	\$ 3,069,431	\$ 1,751,600	\$ 8,160,897	\$ 10,004,478	\$ 22,429,833	\$ 18,590	\$ -	\$ 131,894,455
Receipts:											
Taxes	-	-	-	-	-	-	-	-	-	-	53,647,174
Licenses and permits	-	-	-	-	-	-	-	-	-	-	1,572,910
Intergovernmental receipts	-	-	-	-	-	-	-	-	-	-	21,049,415
Charges for services	-	-	-	-	-	-	-	-	-	-	1,549,997
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	78,243
Utility fees	-	4,094,203	15,224	289,325	-	-	-	40,450	-	-	26,659,390
Other receipts	-	58,600	-	3,594,741	-	816	674	1,797	-	155,566	43,961,125
Total receipts	-	4,152,803	15,224	3,884,066	-	816	674	42,247	-	155,566	148,518,254
Disbursements:											
Personal services	-	-	-	-	-	-	-	-	-	-	33,279,685
Supplies	-	-	-	-	-	-	-	-	-	-	2,930,220
Other services and charges	-	-	-	-	-	-	-	-	-	-	28,166,312
Debt service - principal and interest	-	-	-	6,945,422	-	-	-	-	-	-	15,139,794
Capital outlay	-	-	525	-	-	-	7,876,646	13,921,198	-	-	50,334,524
Utility operating expenses	-	1,900	-	-	-	-	264,179	909,131	-	144,503	3,891,131
Other disbursements	-	-	-	-	-	125,226	-	-	-	-	32,589,389
Total disbursements	-	1,900	525	6,945,422	-	125,226	8,140,825	14,830,329	-	144,503	166,331,055
Excess (deficiency) of receipts over disbursements	-	4,150,903	14,699	(3,061,356)	-	(124,410)	(8,140,151)	(14,788,082)	-	11,063	(17,812,801)
Cash and investments - ending	\$ 300	\$ 13,097,168	\$ 75,075	\$ 8,075	\$ 1,751,600	\$ 8,036,487	\$ 1,864,327	\$ 7,641,751	\$ 18,590	\$ 11,063	\$ 114,081,654

CITY OF JEFFERSONVILLE
SCHEDULE OF PAYABLES AND RECEIVABLES (UNAUDITED)
December 31, 2021

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 7,770	\$ 28,549
Drainage	-	172,299
Wastewater	-	<u>2,180,764</u>
Totals	<u>\$ 7,770</u>	<u>\$ 2,381,612</u>

CITY OF JEFFERSONVILLE
SCHEDULE OF LEASES AND DEBT (UNAUDITED)
December 31, 2021

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
	2008 Tax Increment Bonds for Veterans Pkwy & Thompson Rd	1,000,000	\$ 248,963
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series A	1,355,000	153,341
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series B	3,905,000	778,150
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series C	3,380,000	396,044
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series D	1,650,000	325,820
Revenue bonds	2013 Tax Increment Revenue Bonds 2013 - Series E	1,750,000	74,375
Revenue bonds	2017 Capital Development Tourism Bonds	642,314	121,104
Notes and Loans Payable	INDOT State Infrastructure Bank Loan Overpass Construction	<u>1,403,447</u>	<u>320,000</u>
Total governmental activities		<u>15,085,761</u>	<u>2,417,797</u>
Wastewater:			
Revenue bonds	2013 Sewage Works Refunding (1999 2003 2005A) Revenue Bonds	5,650,000	1,224,463
Revenue bonds	2017 Series A Sewage Works Refunding (2010)	11,775,000	1,500,700
Revenue bonds	2020 Sewage works Refunding (2008 & 2009)	4,045,000	80,900
Revenue bonds	2021 Sewage Works Refunding (2010A & 2011A)	15,070,000	888,921
Notes and Loans Payable	2011 Series B SRF Brownfield Remediation	251,863	39,000
Notes and Loans Payable	2011 Series C SRF North WW Treatment Plant	13,074,000	1,193,640
Notes and Loans Payable	2012 SRF WWTP Improvements	7,586,000	694,490
Notes and Loans Payable	2020 Series A SRF Downtown WWTP Wet Weather Treatment Facilities	15,279,000	928,290
Notes and Loans Payable	2020 Series B SRF Phase II & III construction projects as approved by USEPA and DOJ	<u>25,000,000</u>	<u>500,000</u>
Total Wastewater		<u>97,730,863</u>	<u>7,050,404</u>
Totals		<u>\$ 112,816,624</u>	<u>\$ 9,468,201</u>

CITY OF JEFFERSONVILLE
SCHEDULE OF CAPITAL ASSETS (UNAUDITED)
December 31, 2021

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	\$ 15,261,243
Infrastructure	381,692,979
Buildings	38,817,373
Improvements other than buildings	13,189,488
Machinery, equipment, and vehicles	<u>17,596,059</u>
 Total governmental activities	 <u>466,557,142</u>
 Drainage:	
Land	163,800
Infrastructure	40,251,544
Machinery, equipment, and vehicles	995,237
Construction in progress	<u>147,500</u>
 Total Drainage	 <u>41,558,081</u>
 Wastewater:	
Land	3,149,475
Infrastructure	155,046,323
Buildings	25,151,035
Improvements other than buildings	608,000
Machinery, equipment, and vehicles	72,693,980
Construction in progress	<u>32,828,175</u>
 Total Wastewater	 <u>289,476,988</u>
 Total capital assets	 <u>\$ 797,592,211</u>

CITY OF JEFFERSONVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing	Identifying Number	Awards Expended	Pass Through to Subrecipient
<u>Department of Housing and Urban Development</u>					
Community Development Block Grant – COVID-19	Indiana Office of Community and Rural Affairs	14.228	CV-CV1-215	\$ 170,000	\$ 170,000
Total - Department of Housing and Urban Development				<u>170,000</u>	<u>170,000</u>
<u>Department of Justice</u>					
JAG Program Cluster					
Edward Byrne Memorial Justice Assistance Grant Program 2018 Jag Grant / Secret Service	Direct Award	16.738	2018-DJ-BX-0838	4,750	-
Edward Byrne Memorial Justice Assistance Grant Program JAG Grant DEA Task Force/ Drug Interdiction	Direct Award	16.738	EDS-D#3-14-8669	12,572	-
Bulletproof Vest Partnership Program Bulletproof Vests	Direct Award	16.607	18,094,171	2,148	-
Public Safety Partnership and Community Policing Grants	Direct Award	16.710	2016UMWX0141	108,919	-
Juvenile Accountability Block Grants	Direct Award	16.523	10-JBFX-0086	6,422	-
Equitable Sharing Program Police Forfeiture	Direct Award	16.922	FY2021	<u>226,226</u>	<u>-</u>
Total - Department of Justice				<u>361,037</u>	<u>-</u>
<u>Department of Transportation</u>					
Highway Safety Cluster					
State and Community Highway Safety	Indiana Criminal Justice Institute/ Town of Sellersburg	20.600	2021-00089-FR2	1,054	-
Alcohol Impaired Driving Countermeasures Incentive Grants I 2021 DUI Task Force Award	Indiana Criminal Justice Institute/ Town of Sellersburg	20.601	FY2021	<u>5,032</u>	<u>-</u>
Total - Highway Safety Cluster				<u>6,086</u>	<u>-</u>
Total - Department of Transportation				<u>6,086</u>	<u>-</u>

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF JEFFERSONVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

<u>Federal Grantor Agency</u> <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	<u>Assistance</u> <u>Listing</u>	<u>Identifying</u> <u>Number</u>	<u>Awards</u> <u>Expended</u>	<u>Pass Through to</u> <u>Subrecipient</u>
<u>Department of the Treasury</u>					
Coronavirus State and Local Cooperative Agreements – COVID-19 Recovery Funds	Indiana Finance Authority	21.027	NEU-IN0220	\$ 3,819,329	\$ -
Total - Department of the Treasury				<u>3,819,329</u>	<u>-</u>
<u>National Endowment for the Humanities</u>					
Promotion of the Arts Partnership Agreements 2021 Cultural District Community Engagement Grant COVID-19 – Cultural District	Indiana Arts Commission	45.025	1863296-61-20	5,400	-
		45.025	1863369-61-20	<u>3,000</u>	<u>-</u>
Total - National Endowment for the Humanities				<u>8,400</u>	<u>-</u>
<u>Environmental Protection Agency</u>					
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements 2018 Brownfields Assessment Grant	Indiana Finance Authority	66.818	BF00E02362	44,349	-
Total - Environmental Protection Agency				<u>44,349</u>	<u>-</u>
<u>Department of Homeland Security</u>					
Port Security Grant Program 2019 Port Grant	Direct Award	97.056	EMW-2019-PU-00279	12,998	-
Total – Department of Homeland Security				<u>12,998</u>	<u>-</u>
Total federal awards expended				<u>\$ 4,422,199</u>	<u>\$ 170,000</u>

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF JEFFERSONVILLE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended December 31, 2021

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of City of Jeffersonville (the "City") under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the receipts, disbursements, and cash and investment balances – regulatory basis of the City.

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expensed with the reimbursement is received.

NOTE 2 - INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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

Those Charged with Governance
City of Jeffersonville
Clark County, Indiana

We have audited, in accordance with the 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 comprise which comprise the statement of receipts, disbursements, and cash and investment balances of the City as of and of the year ended December 31, 2021, and the related notes to the financial statement, and have issued our report thereon dated August 10, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered City's internal control over financial reporting (internal control) as a basis for designing 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statement is free from 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 financial statement. 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
August 10, 2022

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

Those Charged with Governance
City of Jeffersonville
Clark County, Indiana

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

We have audited the City of Jeffersonville's ("City") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended December 31, 2021. 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.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on ALN 21.027 Coronavirus State and Local Fiscal Recovery Fund for the year ended December 31, 2021.

Basis for Qualified Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on ALN 21.027 Coronavirus State and Local Fiscal Recovery Fund

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding ALN 21.027 Coronavirus State and Local Fiscal Recovery Fund as describe in finding 2021-001 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

(Continued)

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

(Continued)

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 a 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
August 10, 2022

CITY OF JEFFERSONVILLE
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 December 31, 2021

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS:

Financial Statement

Type of auditors report issued Adverse as to GAAP, Unmodified as to regulatory basis

Internal control over financial reporting

Material weakness(es) identified?	_____	Yes	___X___	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	___X___	None Reported
Noncompliance material to financial statement noted?	_____	Yes	___X___	No

Federal Awards

Internal control over major programs

Material weakness(es) identified?	___X___	Yes	_____	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	___X___	None Reported

Type of auditor’s report issued on compliance for major programs Qualified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	___X___	Yes	_____	No
---	---------	-----	-------	----

Identification of major programs

<u>ALN Number</u> 21.027	<u>Name of Federal Program or Cluster</u> Coronavirus State and Local Fiscal Recovery Fund
-----------------------------	---

Dollar threshold used to distinguish between Type A and Type B programs \$ 750,000

Auditee qualified as low-risk auditee?	_____	Yes	___X___	No
--	-------	-----	---------	----

SECTION 2 – FINDINGS RELATED TO THE FINANCIAL STATEMENT THAT ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None.

(Continued)

CITY OF JEFFERSONVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2021

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2021-001

Subject: COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Number and Year (or Other Identifying Number): CY2021

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

Criteria: Federal regulations 2 CFR section 200.318 through 200.327 and 2 CFR 180.300 require the City to:

200 CFR.318 (a): The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in §§ 200.317 through 200.327.

200 CFR.320 (b-c) states in part: Formal procurement methods. When the value of the procurement for property or services under a Federal financial assistance award exceeds the SAT, or a lower threshold established by a non-Federal entity, formal procurement methods are required. Formal procurement methods require the following documented procedures. Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with § 200.319 or paragraph (c) of this section. The following formal methods of procurement are used for procurement of property or services above the simplified acquisition threshold or a value below the simplified acquisition threshold the non-Federal entity determines to be appropriate:

- (1) **Sealed bids.** A procurement method in which bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price.
- (2) **Proposals.** A procurement method in which either a fixed price or cost-reimbursement type contract is awarded. Proposals are generally used when conditions are not appropriate for the use of sealed bids.
- (3) **Noncompetitive procurement.** There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:

(Continued)

CITY OF JEFFERSONVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2021

(1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see paragraph (a)(1) of this section);

(2) The item is available only from a single source;

(3) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;

(4) The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

(a) Checking SAM Exclusions; or

(b) Collecting a certification from that person; or

(c) Adding a clause or condition to the covered transaction with that person."

Condition and Context:

An effective system of internal controls was not in place at the City to ensure compliance with requirements related to the Procurement and Suspension and Debarment compliance requirement.

Procurement – Policy: The City policies had not been updated to comply with the procurement standards outlined in 2 CFR 200.318 through 2 CFR 200.327. The City had a purchasing policy but did not tailor the policy to meet federal requirements.

Procurement – There were three procurements, representing the entire 2021 procurement population, selected for testing. For one selection, the City did not follow federal procurement requirements for a purchase which exceeded the simplified acquisition threshold of \$250,000. The selection was a professional services contract for approximately \$2,948,000. The City contracted with an engineering firm for the design of an expansion of a wastewater treatment plant and followed Indiana Code 5-16-11.1. However, a formal procurement method was not used for the purchase as required by federal procurement requirement as outlined in 2 CFR 200.320. The other two procurements, both simplified acquisitions, selected were supported by procurement records.

Suspension and Debarment - The City did not verify that vendors with contracts over \$25,000 were not excluded or disqualified from participation in federal award programs. All three selections, representing the entire population of procurements in 2021, were not verified to ensure the vendor was not excluded or disqualified from participation in federal award programs.

(Continued)

CITY OF JEFFERSONVILLE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2021

Questioned Costs: There were no questioned costs identified.

Effect: The failure to design and implement an effective system of internal controls enabled material noncompliance to go undetected. Noncompliance with the Procurement and Suspension and Debarment compliance requirement could have resulted in the loss of federal funds to the City.

Cause: Management had not established a federal procurement policy and system of internal controls to ensure compliance with the Procurement and Suspension and Debarment compliance requirement.

Recommendation: We recommend that the City's management establish a written federal procurement policy to supplement their organizational policies and develop a system of internal controls and written procedures to ensure compliance and comply with the grant agreement requirements and the Procurement and Suspension and Debarment compliance requirement.

Views of Responsible Officials: Management concurs with this finding

CITY OF JEFFERSONVILLE
OTHER REPORT
December 31, 2021

The reports presented herein were prepared in addition to another official report prepared for the City as listed below:

Indiana State Board of Accounts Compliance Examination of City of Jeffersonville

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Cities and Towns*.

CITY OF JEFFERSONVILLE
EXIT CONFERENCE
January 1, 2021 to December 31, 2021

The contents of this report were discussed on August 10, 2022 with Heather Metcalf, Controller, Les Merkley, City Attorney, and Matt Owen, City Council President.



FINANCE DEPARTMENT

Jeffersonville City Hall
500 Quartermaster Court, Suite 300
Jeffersonville, Indiana 47130

812-285-6422 office
812-283-6426 fax

Mike Moore
Mayor

Heather Metcalf
Director of Finance/
Controller
hmetcalf@cityofjeff.net

August 8, 2022

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2020-001 – IMPROPER INCLUSION OF NON-CITY OWNED FUNDS – Resolved

Fiscal year in which the finding initially occurred: 2020
Contact Person Responsible for Corrective Action: Heather Metcalf
Contact Phone Number: 819-285-6492

Status of Audit Finding: The city resolved the finding by excluding the non-City owned cash fund balance and activity from the City's 2021 Annual Financial report submission.



(Signature)

Chief Financial Officer

(Title)

August 8, 2022

(Date)

FINANCE DEPARTMENT

Jeffersonville City Hall
500 Quartermaster Court, Suite 300
Jeffersonville, Indiana 47130

812-285-6422 office
812-283-6426 fax

Mike Moore
Mayor

Heather Metcalf
Director of Finance/
Controller
hmetcalf@cityofjeff.net



CORRECTIVE ACTION PLAN

Finding 2021-001

Subject: COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Number and Year (or Other Identifying Number): CY2021

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness, Modified Opinion

Contact Person Responsible for Corrective Action: Heather Metcalf
Contact Phone Number: 812-285-6492

Views of Responsible Official: We concur with the finding.

The City of Jeffersonville will elect to use the standard allowance for revenue replacement of \$10 million. As stated in the Final Rule enacted by U.S. Treasury effective 4/1/2022: "Recipients that select the standard allowance may use that amount for government services." Treasury's Coronavirus State and Local Fiscal Recover Funds, as of July 27, 2022, FAQ 3.3 states "Recipients may also use revenue loss funds to carry out investments that would be eligible under other eligible use categories, because those eligible uses are also services provided by recipient governments." Additionally, FAQ 13.15 clarifies which regulations in Uniform Guidance apply to funds expended under Expenditure Category Group 6 "Revenue Replacement." Uniform Guidance regulations 2 CFR 200.318 through 200.321, cited as the criteria of the finding referenced above, are not included in the list of applicable regulations from subpart D of the Uniform Guidance to Expenditure Category 6 "Revenue Replacement." Further, FAQ 13.15 states, "In general, these requirements provide that recipients should not deviate from their established practices and policies regarding the incurrence of costs, and that they should expend and account for the funds in accordance with laws and procedures for expending and accounting for the recipient's own funds." We maintain that the expenditures noted in the finding were expended and accounted for in accordance with the laws and procedures for expending City funds.

Regarding Suspension and Debarment, FAQ 13.14 states "Recipients' use of revenue loss funds does not give rise to subrecipient relationships given that there is no federal program or purpose to carry out in the case of the revenue loss portion of the award." The definition of Contract in Uniform Guidance 2 CFR 200.1 states "Contract means, for the purpose of Federal financial assistance, a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a Federal award," Given the interpretation in FAQ 13.14, FAQ 13.15, and the Uniform Guidance Definition of "Contract" it is our position that Suspension and Debarment requirements found in 2 CFR 180.300, cited in the finding referenced above, are also not applicable to contracts and sub awards expended from Category 6 Revenue loss

Description of Corrective Action Plan:

The City will classify the expenditures into Category Group 6, "Revenue Replacement" as allowed by the Final Rule on the next SLFRF quarterly compliance reporting to the US Treasury.

Anticipated Completion Date:
12/31/2022



(Signature)

Chief Financial Officer
(Title)

08/18/2022
(Date)