

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF NEW HARMONY

POSEY COUNTY, INDIANA

January 1, 2008 to December 31, 2010



**FILED**  
12/01/2011



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	6-8
Notes to Financial Statements .....	9-13
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis .....	16-29
Schedule of Capital Assets.....	30
Schedule of Long-Term Debt .....	31
Examination Results and Comments:	
Appropriations.....	32
Overdrawn Fund Balances .....	32
Exit Conference.....	33

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Karla Atkins	01-01-08 to 12-31-11
President of the Town Council	David Campbell	01-01-08 to 12-31-11
Superintendent of Water Utility	Ryan Farrar Robert Grider (Interim)	01-01-08 to 06-13-11 06-14-11 to 12-31-11
Superintendent of Wastewater Utility	Ryan Farrar Vacant	01-01-08 to 06-13-11 06-14-11 to 12-31-11
Superintendent of Gas Utility	Robert Grider	01-01-08 to 12-31-11



**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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF NEW HARMONY, POSEY COUNTY, INDIANA

We have examined the financial statements of the Town of New Harmony (Town), for the period of January 1, 2008 to December 31, 2010. The Town's management is responsible for the financial statements. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by 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 noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2008, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them. The Combining Schedule of Receipts, Disbursements, and Cash and Investments Balances – Regulatory Basis was not presented for the year ended December 31, 2008.

This report is intended solely for the information and use of the Town's management, the Town Council, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

October 10, 2011

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## FINANCIAL STATEMENTS

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

TOWN OF NEW HARMONY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2008

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
General Fund	\$ 21,329	\$ 146,173	\$ 174,067	\$ (6,565)
Motor Vehicle Highway	38,641	33,871	30,811	41,701
Local Road & Street	19,963	4,341	578	23,726
Park	8,439	4,509	3,010	9,938
Cemetery Operating	16,154	14,965	17,121	13,998
Street Dept-Hwy 69 Proceeds	63,304	3,068	2,300	64,072
Mosquito	121	-	-	121
Riverfront Trail	2,252	13,365	3,907	11,710
Local Law Enforcement Cont Ed	833	295	-	1,128
Riverboat Wagering Tax Revenue Sharing	11,397	5,746	9,229	7,914
Cemetery-Improvement	8,264	500	-	8,764
Recycling	832	-	-	832
Murphy Park Shelter House Endowment	1,665	43	-	1,708
Murphy Park Endowment	9,801	4,556	4,239	10,118
Cemetery-Posey Co. Community Foundation	487	491	-	978
County Option Income Tax	8,714	6,866	5,475	10,105
Wabash River Erosion Control	19,767	-	8,083	11,684
Park Board	1,231	2,092	2,607	716
Cemetery-Perpetual Care	118,340	1,250	-	119,590
Recaptured Housing Grant	7,781	20,000	22,422	5,359
Veterans Memorial	2,909	35	189	2,755
Cum Cap Development	26,181	3,185	5,238	24,128
Cum Cap Improvement	6,848	2,979	4,315	5,512
Payroll	5,642	296,875	296,507	6,010
Electric Liquidating	83,878	3,262	-	87,140
Gas Utility Operating	384,319	751,112	677,743	457,688
Gas Utility Depreciation	48,000	12,000	-	60,000
Gas Utility Meter Deposit	8,382	3,000	3,050	8,332
Sewage Utility Operating	61,338	352,949	378,447	35,840
Sewage Utility Bond & Interest	46,954	113,280	113,517	46,717
Sewage Utility Depreciation	246,000	61,500	-	307,500
Sewage Utility Construction	28,810	-	-	28,810
Sewage Utility Debt Service Reserve	110,032	17,639	-	127,671
Trash Collection	15,951	36,734	38,952	13,733
Water Utility Operating & Cash Change	324,481	269,399	308,536	285,344
Water Utility Bond & Interest	103,378	77,580	77,455	103,503
Water Utility Depreciation	172,800	43,200	27,373	188,627
Water Utility Meter Deposit	3,420	1,500	1,300	3,620
Water Utility Cash Reserve	50,000	-	-	50,000
Water Utility Debt Service Reserve	72,948	6,539	-	79,487
Totals	<u>\$ 2,161,586</u>	<u>\$ 2,314,899</u>	<u>\$ 2,216,471</u>	<u>\$ 2,260,014</u>

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

TOWN OF NEW HARMONY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
General	\$ (6,565)	\$ 167,923	\$ 171,061	\$ (9,703)
Motor Vehicle Highway	41,701	35,414	39,495	37,620
Local Road & Street	23,726	4,110	25,823	2,013
Park	9,938	4,101	2,537	11,502
Cemetery Operating	13,998	14,549	18,529	10,018
Street Dept-Hwy 69 Proceeds	64,072	10,484	10,800	63,756
Mosquito	121	-	-	121
Riverfront Trail	11,710	6,295	11,161	6,844
Local Law Enforcement Cont Ed	1,128	660	-	1,788
Riverboat Wagering Tax Revenue Sharing	7,914	23,732	4,806	26,840
Cemetery-Improvement	8,764	300	-	9,064
Recycling	832	-	-	832
Murphy Park Shelter House Endowment	1,708	32	-	1,740
Murphy Park Endowment	10,118	275	-	10,393
Cemetery Posey Co. Community Foundation	978	210	-	1,188
Rainy Day	-	4,076	-	4,076
County Option Income Tax	10,105	10,496	2,007	18,594
Wabash River Erosion Control	11,684	-	375	11,309
Park Board	716	3,189	666	3,239
Cemetery- Perpetual Care	119,590	750	-	120,340
Recaptured Housing Grant	5,359	-	5,359	-
Veterans Memorial	2,755	100	231	2,624
Cum Cap Development	24,128	6,385	1,738	28,775
Cum Cap Improvement	5,512	2,809	2,951	5,370
Payroll	6,010	286,820	287,593	5,237
Electric Liquidating Interest	87,140	2,043	-	89,183
Gas Utility Operating	457,688	622,811	731,506	348,993
Gas Utility Depreciation	60,000	12,000	-	72,000
Gas Utility Meter Deposit	8,332	3,250	2,750	8,832
Gas Utility Cash Reserve	-	200,000	-	200,000
Sewage Utility Operating	35,840	368,467	344,295	60,012
Sewage Utility Bond & Interest	46,717	114,060	113,225	47,552
Sewage Utility Depreciation	307,500	61,500	-	369,000
Sewage Utility Construction	28,810	-	441	28,369
Sewage Utility Debt Service Reserve	127,671	1,080	-	128,751
Trash Collection	13,733	36,412	40,452	9,693
Water Utility Operating & Cash Change	285,344	260,108	327,320	218,132
Water Utility Bond & Interest	103,503	77,700	77,600	103,603
Water Utility Depreciation	188,627	43,200	-	231,827
Water Utility Meter Deposit	3,620	1,700	1,400	3,920
Water Utility Cash Reserve	50,000	50,000	-	100,000
Water Utility Debt Service Reserve	79,487	672	-	80,159
<b>Totals</b>	<b>\$ 2,260,014</b>	<b>\$ 2,437,713</b>	<b>\$ 2,224,121</b>	<b>\$ 2,473,606</b>

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

TOWN OF NEW HARMONY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2010

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ (9,703)	\$ 274,713	\$ 177,890	\$ 87,120
Motor Vehicle Highway	37,620	33,240	35,018	35,842
Local Road & Street	2,013	4,177	111	6,079
Park	11,502	4,816	4,766	11,552
Cemetery Operating	10,018	25,319	19,014	16,323
Street Dept-Hwy 69 Proceeds	63,756	1,292	2,500	62,548
Mosquito	121	-	-	121
Riverfront Trail	6,844	3,781	1,456	9,169
Local Law Enforcement Cont Ed	1,788	63	-	1,851
Riverboat Wagering Tax Revenue Sharing	26,840	17,733	38,016	6,557
Cemetery- Improvement	9,064	600	-	9,664
Bicentennial Commission	-	10,000	-	10,000
Recycling	832	-	-	832
Murphy Park Shelter House Endowment	1,740	20	-	1,760
Murphy Park Endowment	10,393	148	-	10,541
Cemetery Posey Co. Community Foundation	1,188	83	-	1,271
Rainy Day	4,076	1,803	-	5,879
Levy Excess	-	888	-	888
Economic Development Income Tax	-	28,976	1,661	27,315
County Option Income Tax	18,594	26,548	10,000	35,142
Wabash River Erosion Control	11,309	-	-	11,309
Park Board	3,239	1,772	670	4,341
Cemetery- Perpetual Care	120,340	1,500	-	121,840
Recaptured Housing Grant	-	135,691	135,691	-
Veterans Memorial	2,624	209	104	2,729
Cum Cap Development	28,775	9,989	3,123	35,641
Cum Cap Improvement	5,370	2,682	-	8,052
Payroll	5,237	273,259	273,465	5,031
Electric Liquidating Interest	89,183	1,638	-	90,821
Gas Utility Operating	348,993	515,043	508,392	355,644
Gas Utility Depreciation	72,000	12,000	-	84,000
Gas Utility Meter Deposit	8,832	3,750	3,400	9,182
Gas Utility Cash Reserve	200,000	50,000	-	250,000
Trash Collection	9,693	42,488	41,104	11,077
Sewage Utility Operating	60,012	374,852	348,564	86,300
Sewage Utility Bond & Interest	47,552	113,737	112,870	48,419
Sewage Utility Depreciation	369,000	61,500	-	430,500
Sewage Utility Construction	28,369	-	-	28,369
Sewage Utility Debt Service Reserve	128,751	587	-	129,338
Water Utility Operating & Cash Change	218,132	276,164	287,904	206,392
Water Utility Bond & Interest	103,603	77,796	76,700	104,699
Water Utility Depreciation	231,827	43,200	-	275,027
Water Utility Meter Deposit	3,920	1,700	1,700	3,920
Water Utility Cash Reserve	100,000	-	-	100,000
Water Utility Debt Service Reserve	80,159	365	-	80,524
Totals	<u>\$ 2,473,606</u>	<u>\$ 2,434,122</u>	<u>\$ 2,084,119</u>	<u>\$ 2,823,609</u>

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

TOWN OF NEW HARMONY  
NOTES TO FINANCIAL STATEMENTS

**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, water, wastewater, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statements present the financial information for the Town (primary government), and does not include financial information for any of the Town's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Town (primary government).

*B. Basis of Accounting*

The financial statements are 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 statements. The aggregate receipts may include, but are not limited to, 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.

TOWN OF NEW HARMONY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

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

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

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

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

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

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

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

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

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

TOWN OF NEW HARMONY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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

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

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

The 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.

TOWN OF NEW HARMONY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 4. Deposits and Investments**

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

State statutes authorize the 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.

**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 statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

**Note 6. Pension Plan**

*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 PERF Board, most requirements of the system, and give the Town 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.

PERF 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:

TOWN OF NEW HARMONY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

*Funding Policy and Annual Pension Cost*

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

**Note 7. Subsequent Events**

In January 2011, the Town was awarded a \$500,000 Department of Housing and Urban Development grant for the construction of a new fire/EMS station.

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## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Reports can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

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

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

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009

	General	Motor Vehicle Highway	Local Road & Street	Park	Cemetery Operating	Street Dept-Hwy 69 Proceeds	Mosquito	Riverfront Trail
Cash and investments - beginning	\$ (6,565)	\$ 41,701	\$ 23,726	\$ 9,938	\$ 13,998	\$ 64,072	\$ 121	\$ 11,710
Receipts:								
Taxes	102,594	-	-	-	677	-	-	-
Licenses and permits	2,370	-	-	-	-	-	-	-
Intergovernmental	12,290	32,553	4,110	-	105	-	-	-
Charges for services	17,769	-	-	2,962	2,400	-	-	-
Fines and forfeits	2,470	-	-	-	-	-	-	2,295
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	30,430	2,861	-	1,139	11,367	10,484	-	4,000
Total receipts	167,923	35,414	4,110	4,101	14,549	10,484	-	6,295
Disbursements:								
Personal services	65,775	29,215	-	-	3,244	-	-	-
Supplies	18,607	2,221	-	714	15,113	-	-	4,826
Other services and charges	69,675	8,059	25,823	1,793	172	2,300	-	6,335
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	440	-	-	-	-	8,500	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	16,564	-	-	30	-	-	-	-
Total disbursements	171,061	39,495	25,823	2,537	18,529	10,800	-	11,161
Excess (deficiency) of receipts over disbursements	(3,138)	(4,081)	(21,713)	1,564	(3,980)	(316)	-	(4,866)
Cash and investments - ending	\$ (9,703)	\$ 37,620	\$ 2,013	\$ 11,502	\$ 10,018	\$ 63,756	\$ 121	\$ 6,844

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Local Law Enforcement Cont Ed	Riverboat Wagering Tax Revenue Sharing	Cemetery Improvement	Recycling	Murphy Park Shelter House Endowment	Murphy Park Endowment	Cemetery Posey Co. Community Foundation
Cash and investments - beginning	\$ 1,128	\$ 7,914	\$ 8,764	\$ 832	\$ 1,708	\$ 10,118	\$ 978
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	660	-	-	-	-	-	-
Intergovernmental	-	23,732	-	-	-	-	-
Charges for services	-	-	300	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	-	32	275	210
Total receipts	<u>660</u>	<u>23,732</u>	<u>300</u>	<u>-</u>	<u>32</u>	<u>275</u>	<u>210</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	761	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	4,045	-	-	-	-	-
Total disbursements	<u>-</u>	<u>4,806</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>660</u>	<u>18,926</u>	<u>300</u>	<u>-</u>	<u>32</u>	<u>275</u>	<u>210</u>
Cash and investments - ending	<u>\$ 1,788</u>	<u>\$ 26,840</u>	<u>\$ 9,064</u>	<u>\$ 832</u>	<u>\$ 1,740</u>	<u>\$ 10,393</u>	<u>\$ 1,188</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Rainy Day	County Option Income Tax	Wabash River Erosion Control	Park Board	Cemetery- Perpetual Care	Recaptured Housing Grant	Veterans Memorial
Cash and investments - beginning	\$ -	\$ 10,105	\$ 11,684	\$ 716	\$ 119,590	\$ 5,359	\$ 2,755
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	4,076	10,496	-	1,617	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	-	1,572	750	-	100
Total receipts	<u>4,076</u>	<u>10,496</u>	<u>-</u>	<u>3,189</u>	<u>750</u>	<u>-</u>	<u>100</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	2,007	331	607	-	1,359	231
Other services and charges	-	-	-	59	-	4,000	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	44	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>2,007</u>	<u>375</u>	<u>666</u>	<u>-</u>	<u>5,359</u>	<u>231</u>
Excess (deficiency) of receipts over disbursements	<u>4,076</u>	<u>8,489</u>	<u>(375)</u>	<u>2,523</u>	<u>750</u>	<u>(5,359)</u>	<u>(131)</u>
Cash and investments - ending	<u>\$ 4,076</u>	<u>\$ 18,594</u>	<u>\$ 11,309</u>	<u>\$ 3,239</u>	<u>\$ 120,340</u>	<u>\$ -</u>	<u>\$ 2,624</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Cum Cap Development	Cum Cap Improvement	Payroll	Electric Liquidating Interest	Gas Utility Operating	Gas Utility Depreciation	Gas Utility Meter Deposit
Cash and investments - beginning	\$ 24,128	\$ 5,512	\$ 6,010	\$ 87,140	\$ 457,688	\$ 60,000	\$ 8,332
Receipts:							
Taxes	5,442	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	943	2,809	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	575,030	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	-	286,820	2,043	47,781	12,000	3,250
Total receipts	<u>6,385</u>	<u>2,809</u>	<u>286,820</u>	<u>2,043</u>	<u>622,811</u>	<u>12,000</u>	<u>3,250</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	1,738	2,951	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	469,663	-	1,797
Other disbursements	-	-	287,593	-	261,843	-	953
Total disbursements	<u>1,738</u>	<u>2,951</u>	<u>287,593</u>	<u>-</u>	<u>731,506</u>	<u>-</u>	<u>2,750</u>
Excess (deficiency) of receipts over disbursements	<u>4,647</u>	<u>(142)</u>	<u>(773)</u>	<u>2,043</u>	<u>(108,695)</u>	<u>12,000</u>	<u>500</u>
Cash and investments - ending	<u>\$ 28,775</u>	<u>\$ 5,370</u>	<u>\$ 5,237</u>	<u>\$ 89,183</u>	<u>\$ 348,993</u>	<u>\$ 72,000</u>	<u>\$ 8,832</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Gas Utility Cash Reserve	Sewage Utility Operating	Sewage Utility Bond & Interest	Sewage Utility Depreciation	Sewage Utility Construction	Sewage Utility Debt Service Reserve	Trash Collection
Cash and investments - beginning	\$ -	\$ 35,840	\$ 46,717	\$ 307,500	\$ 28,810	\$ 127,671	\$ 13,733
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	353,275	-	-	-	-	-
Penalties	-	6,194	-	-	-	-	-
Other receipts	200,000	8,998	114,060	61,500	-	1,080	36,412
Total receipts	<u>200,000</u>	<u>368,467</u>	<u>114,060</u>	<u>61,500</u>	<u>-</u>	<u>1,080</u>	<u>36,412</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	113,225	-	-	-	-
Capital outlay	-	13,504	-	-	-	-	-
Utility operating expenses	-	146,381	-	-	-	-	40,452
Other disbursements	-	184,410	-	-	441	-	-
Total disbursements	<u>-</u>	<u>344,295</u>	<u>113,225</u>	<u>-</u>	<u>441</u>	<u>-</u>	<u>40,452</u>
Excess (deficiency) of receipts over disbursements	<u>200,000</u>	<u>24,172</u>	<u>835</u>	<u>61,500</u>	<u>(441)</u>	<u>1,080</u>	<u>(4,040)</u>
Cash and investments - ending	<u>\$ 200,000</u>	<u>\$ 60,012</u>	<u>\$ 47,552</u>	<u>\$ 369,000</u>	<u>\$ 28,369</u>	<u>\$ 128,751</u>	<u>\$ 9,693</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2009  
 (Continued)

	Water Utility Operating & Cash Change	Water Utility Bond & Interest	Water Utility Depreciation	Water Utility Meter Deposit	Water Utility Cash Reserve	Water Utility Debt Service Reserve	Totals
Cash and investments - beginning	\$ 285,344	\$ 103,503	\$ 188,627	\$ 3,620	\$ 50,000	\$ 79,487	\$ 2,260,014
Receipts:							
Taxes	-	-	-	-	-	-	108,713
Licenses and permits	-	-	-	-	-	-	3,030
Intergovernmental	-	-	-	-	-	-	92,731
Charges for services	-	-	-	-	-	-	23,431
Fines and forfeits	-	-	-	-	-	-	4,765
Utility fees	228,962	-	-	-	-	-	1,157,267
Penalties	1,410	-	-	-	-	-	7,604
Other receipts	29,736	77,700	43,200	1,700	50,000	672	1,040,172
Total receipts	<u>260,108</u>	<u>77,700</u>	<u>43,200</u>	<u>1,700</u>	<u>50,000</u>	<u>672</u>	<u>2,437,713</u>
Disbursements:							
Personal services	-	-	-	-	-	-	98,234
Supplies	-	-	-	-	-	-	46,777
Other services and charges	-	-	-	-	-	-	122,905
Debt service - principal and interest	-	77,600	-	-	-	-	190,825
Capital outlay	1,056	-	-	-	-	-	23,544
Utility operating expenses	129,817	-	-	669	-	-	788,779
Other disbursements	196,447	-	-	731	-	-	953,057
Total disbursements	<u>327,320</u>	<u>77,600</u>	<u>-</u>	<u>1,400</u>	<u>-</u>	<u>-</u>	<u>2,224,121</u>
Excess (deficiency) of receipts over disbursements	<u>(67,212)</u>	<u>100</u>	<u>43,200</u>	<u>300</u>	<u>50,000</u>	<u>672</u>	<u>213,592</u>
Cash and investments - ending	<u>\$ 218,132</u>	<u>\$ 103,603</u>	<u>\$ 231,827</u>	<u>\$ 3,920</u>	<u>\$ 100,000</u>	<u>\$ 80,159</u>	<u>\$ 2,473,606</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	General	Motor Vehicle Highway	Local Road & Street	Park	Cemetery Operating	Street Dept-Hwy 69 Proceeds
Cash and investments - beginning	\$ (9,703)	\$ 37,620	\$ 2,013	\$ 11,502	\$ 10,018	\$ 63,756
Receipts:						
Taxes	204,470	-	-	-	5,741	-
Licenses and permits	2,165	-	-	-	-	-
Intergovernmental	7,640	32,550	4,177	-	808	-
Charges for services	30,489	-	-	3,677	3,700	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	29,949	690	-	1,139	15,070	1,292
Total receipts	<u>274,713</u>	<u>33,240</u>	<u>4,177</u>	<u>4,816</u>	<u>25,319</u>	<u>1,292</u>
Disbursements:						
Personal services	64,810	31,240	-	-	3,377	-
Supplies	21,132	2,837	-	560	15,463	-
Other services and charges	74,686	941	111	4,099	174	2,500
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	17,262	-	-	107	-	-
Total disbursements	<u>177,890</u>	<u>35,018</u>	<u>111</u>	<u>4,766</u>	<u>19,014</u>	<u>2,500</u>
Excess (deficiency) of receipts over disbursements	<u>96,823</u>	<u>(1,778)</u>	<u>4,066</u>	<u>50</u>	<u>6,305</u>	<u>(1,208)</u>
Cash and investments - ending	<u>\$ 87,120</u>	<u>\$ 35,842</u>	<u>\$ 6,079</u>	<u>\$ 11,552</u>	<u>\$ 16,323</u>	<u>\$ 62,548</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Mosquito	Riverfront Trail	Local Law Enforcement Cont Ed	Riverboat Wagering Tax Revenue Sharing	Cemetery- Improvement	Bicentennial Commission
Cash and investments - beginning	\$ 121	\$ 6,844	\$ 1,788	\$ 26,840	\$ 9,064	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	60	-	-	-
Intergovernmental	-	-	-	17,733	-	-
Charges for services	-	-	3	-	600	-
Fines and forfeits	-	2,325	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	1,456	-	-	-	10,000
Total receipts	-	3,781	63	17,733	600	10,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	2,045	-	-
Other services and charges	-	1,456	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	35,971	-	-
Total disbursements	-	1,456	-	38,016	-	-
Excess (deficiency) of receipts over disbursements	-	2,325	63	(20,283)	600	10,000
Cash and investments - ending	\$ 121	\$ 9,169	\$ 1,851	\$ 6,557	\$ 9,664	\$ 10,000

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Recycling	Murphy Park Shelter House Endowment	Murphy Park Endowment	Cemetery Posey Co. Community Foundation	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 832	\$ 1,740	\$ 10,393	\$ 1,188	\$ 4,076	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	1,803	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	20	148	83	-	888
Total receipts	-	20	148	83	1,803	888
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	20	148	83	1,803	888
Cash and investments - ending	\$ 832	\$ 1,760	\$ 10,541	\$ 1,271	\$ 5,879	\$ 888

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Economic Development Income Tax	County Option Income Tax	Wabash River Erosion Control	Park Board	Cemetery- Perpetual Care	Recaptured Housing Grant
Cash and investments - beginning	\$ -	\$ 18,594	\$ 11,309	\$ 3,239	\$ 120,340	\$ -
Receipts:						
Taxes	28,976	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	26,548	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	-	1,772	1,500	135,691
Total receipts	<u>28,976</u>	<u>26,548</u>	<u>-</u>	<u>1,772</u>	<u>1,500</u>	<u>135,691</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	670	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	1,661	10,000	-	-	-	135,691
Total disbursements	<u>1,661</u>	<u>10,000</u>	<u>-</u>	<u>670</u>	<u>-</u>	<u>135,691</u>
Excess (deficiency) of receipts over disbursements	<u>27,315</u>	<u>16,548</u>	<u>-</u>	<u>1,102</u>	<u>1,500</u>	<u>-</u>
Cash and investments - ending	<u>\$ 27,315</u>	<u>\$ 35,142</u>	<u>\$ 11,309</u>	<u>\$ 4,341</u>	<u>\$ 121,840</u>	<u>\$ -</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Veterans Memorial	Cum Cap Development	Cum Cap Improvement	Payroll	Electric Liquidating Interest	Gas Utility Operating
Cash and investments - beginning	\$ 2,624	\$ 28,775	\$ 5,370	\$ 5,237	\$ 89,183	\$ 348,993
Receipts:						
Taxes	-	8,930	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	1,059	2,682	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	474,089
Penalties	-	-	-	-	-	-
Other receipts	209	-	-	273,259	1,638	40,954
Total receipts	<u>209</u>	<u>9,989</u>	<u>2,682</u>	<u>273,259</u>	<u>1,638</u>	<u>515,043</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	104	-	-	-	-	-
Other services and charges	-	3,123	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	405,372
Other disbursements	-	-	-	273,465	-	103,020
Total disbursements	<u>104</u>	<u>3,123</u>	<u>-</u>	<u>273,465</u>	<u>-</u>	<u>508,392</u>
Excess (deficiency) of receipts over disbursements	<u>105</u>	<u>6,866</u>	<u>2,682</u>	<u>(206)</u>	<u>1,638</u>	<u>6,651</u>
Cash and investments - ending	<u>\$ 2,729</u>	<u>\$ 35,641</u>	<u>\$ 8,052</u>	<u>\$ 5,031</u>	<u>\$ 90,821</u>	<u>\$ 355,644</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Gas Utility Depreciation	Gas Utility Meter Deposit	Gas Utility Cash Reserve	Trash Collection	Sewage Utility Operating	Sewage Utility Bond & Interest
Cash and investments - beginning	\$ 72,000	\$ 8,832	\$ 200,000	\$ 9,693	\$ 60,012	\$ 47,552
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	361,123	-
Penalties	-	-	-	-	6,478	-
Other receipts	12,000	3,750	50,000	42,488	7,251	113,737
Total receipts	<u>12,000</u>	<u>3,750</u>	<u>50,000</u>	<u>42,488</u>	<u>374,852</u>	<u>113,737</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	112,870
Capital outlay	-	-	-	-	8,670	-
Utility operating expenses	-	2,899	-	41,104	155,820	-
Other disbursements	-	501	-	-	184,074	-
Total disbursements	<u>-</u>	<u>3,400</u>	<u>-</u>	<u>41,104</u>	<u>348,564</u>	<u>112,870</u>
Excess (deficiency) of receipts over disbursements	<u>12,000</u>	<u>350</u>	<u>50,000</u>	<u>1,384</u>	<u>26,288</u>	<u>867</u>
Cash and investments - ending	<u>\$ 84,000</u>	<u>\$ 9,182</u>	<u>\$ 250,000</u>	<u>\$ 11,077</u>	<u>\$ 86,300</u>	<u>\$ 48,419</u>

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Sewage Utility Depreciation	Sewage Utility Construction	Sewage Utility Debt Service Reserve	Water Utility Operating & Cash Change	Water Utility Bond & Interest
Cash and investments - beginning	\$ 369,000	\$ 28,369	\$ 128,751	\$ 218,132	\$ 103,603
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	254,041	-
Penalties	-	-	-	1,259	-
Other receipts	61,500	-	587	20,864	77,796
Total receipts	61,500	-	587	276,164	77,796
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	76,700
Capital outlay	-	-	-	1,631	-
Utility operating expenses	-	-	-	139,482	-
Other disbursements	-	-	-	146,791	-
Total disbursements	-	-	-	287,904	76,700
Excess (deficiency) of receipts over disbursements	61,500	-	587	(11,740)	1,096
Cash and investments - ending	\$ 430,500	\$ 28,369	\$ 129,338	\$ 206,392	\$ 104,699

TOWN OF NEW HARMONY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Water Utility Depreciation	Water Utility Meter Deposit	Water Utility Cash Reserve	Water Utility Debt Service Reserve	Totals
Cash and investments - beginning	\$ 231,827	\$ 3,920	\$ 100,000	\$ 80,159	\$ 2,473,606
Receipts:					
Taxes	-	-	-	-	248,117
Licenses and permits	-	-	-	-	2,225
Intergovernmental	-	-	-	-	95,000
Charges for services	-	-	-	-	38,469
Fines and forfeits	-	-	-	-	2,325
Utility fees	-	-	-	-	1,089,253
Penalties	-	-	-	-	7,737
Other receipts	43,200	1,700	-	365	950,996
Total receipts	43,200	1,700	-	365	2,434,122
Disbursements:					
Personal services	-	-	-	-	99,427
Supplies	-	-	-	-	42,811
Other services and charges	-	-	-	-	87,090
Debt service - principal and interest	-	-	-	-	189,570
Capital outlay	-	-	-	-	10,301
Utility operating expenses	-	1,054	-	-	745,731
Other disbursements	-	646	-	-	909,189
Total disbursements	-	1,700	-	-	2,084,119
Excess (deficiency) of receipts over disbursements	43,200	-	-	365	350,003
Cash and investments - ending	\$ 275,027	\$ 3,920	\$ 100,000	\$ 80,524	\$ 2,823,609

TOWN OF NEW HARMONY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2010

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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 88,638
Infrastructure	12,223
Buildings	824,475
Machinery and equipment	<u>771,205</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,696,541</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 750
Infrastructure	2,052,342
Buildings	51,552
Machinery and equipment	<u>128,675</u>
 Total Water Utility capital assets	 <u>2,233,319</u>
 Wastewater Utility:	
Capital assets, not being depreciated:	
Land	2,000
Infrastructure	2,062,270
Buildings	232,942
Machinery and equipment	<u>112,176</u>
 Total Wastewater Utility capital assets	 <u>2,409,388</u>
 Gas Utility:	
Capital assets, not being depreciated:	
Land	500
Infrastructure	20,902
Machinery and equipment	<u>70,884</u>
 Total Gas Utility capital assets	 <u>92,286</u>
 Total business-type activities capital assets	 <u>\$ 4,734,993</u>

TOWN OF NEW HARMONY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Water Utility:		
Loan:		
USDA Rural Development	\$ 1,240,000	\$ 76,845
Wastewater Utility:		
Loan:		
1967 Series Sewer Bonds	18,000	-
USDA Rural Development	374,000	44,155
State Revolving Loan Fund	<u>736,000</u>	<u>69,816</u>
Total Wastewater Utility	<u>1,128,000</u>	<u>113,971</u>
Total debt	<u>\$ 2,368,000</u>	<u>\$ 190,816</u>

TOWN OF NEW HARMONY  
EXAMINATION RESULTS AND COMMENTS

***APPROPRIATIONS (Applies to the Town)***

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Local Road and Street	2009	\$ 2,429
Cemetery - Operating	2010	683

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

***OVERDRAWN FUND BALANCES (Applies to the Town)***

The Town General Fund was overdrawn in 2008 and 2009.

The fund 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)

TOWN OF NEW HARMONY  
EXIT CONFERENCE

The contents of this report were discussed on October 25, 2011, with Karla Atkins, Clerk-Treasurer; David Campbell, President of the Town Council; and Joe Straw, Town Council member. The officials concurred with our findings.