

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

CITY OF NEW HAVEN

ALLEN COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
10/12/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Report.....	3
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6-7
Notes to Financial Statement.....	8-13
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	16-24
Schedule of Payables and Receivables	25
Schedule of Leases and Debt	26
Schedule of Capital Assets.....	27
Examination Results and Comments:	
EMS Accounts Receivable Printouts	28
EMS Accounts Receivable Billings and Collections	28
EMS Collections Not Remitted Timely	29
EMS Records Available for Audit in Proper Format	29
Exit Conference.....	30

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Brenda D. Adams	01-01-08 to 12-31-15
Mayor	Terry E. McDonald	01-01-08 to 12-31-15
President of the Board of Public Works and Safety	Terry E. McDonald	01-01-11 to 12-31-12
President of the Common Council	Timothy S. Bristow Timothy C. Martin	06-01-10 to 12-31-11 01-01-12 to 12-31-12
Superintendent of Utilities and Streets	Dave L. Jones	01-01-11 to 12-31-12
Utility Office Manager	Jill N. Cain	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF NEW HAVEN, ALLEN COUNTY, INDIANA

We have examined the accompanying financial statement of the City of New Haven (City), for the year ended December 31, 2011. The financial statement is the responsibility of the City's management. Our responsibility is to express an opinion on the financial statement 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 statement 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 City prepares its financial statement 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.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2011, on the basis of accounting described in Note 1.

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41, these fees have been subject to an annual examination performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement.

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

This report is intended solely for the information and use of the City's management, Common Council, and others within the entity 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

September 5, 2012

(This page intentionally left blank.)

FINANCIAL STATEMENT

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

CITY OF NEW HAVEN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	\$ 2,634,009	\$ 4,748,069	\$ 4,650,946	\$ 2,731,132
Motor Vehicle Highway	2,147,042	1,238,392	1,678,656	1,706,778
Local Road and Street	419,000	140,796	-	559,796
Park Nonreverting Operating	54,837	63,374	76,026	42,185
Emergency Medical Service	244,449	716,424	665,939	294,934
Law Enforcement Continuing Education	26,954	11,846	10,549	28,251
Clerk's Record Perpetuation	109,982	26,157	15,768	120,371
Riverboat	250,390	79,840	134,400	195,830
Park and Recreation	303,245	1,033,185	932,608	403,822
Court User Fee	161,529	134,328	108,220	187,637
Fire Department	255,776	1,196,427	1,190,654	261,549
Rainy Day	668,053	1,532	-	669,585
CEDIT	1,769,458	1,248,590	969,070	2,048,978
Levy Excess	14,752	-	14,752	-
TIF 469	269,685	234,432	458,500	45,617
Cumulative Capital Improvement	447,461	36,463	47,260	436,664
Park Nonreverting Capital	3,000	9,295	1,429	10,866
Redevelopment Capital	812,980	1,893	-	814,873
Cumulative Building and Firefighting Equipment	370,855	173,482	14,379	529,958
Economic Development Revolving	1,164,762	127,711	-	1,292,473
General Improvement	151,222	-	-	151,222
Police Officers' Pension	520,542	129,085	119,020	530,607
Court Fees Due County	54,380	545,310	559,118	40,572
City Court	183,201	2,325,092	2,344,457	163,836
Insurance Reserve	-	220,233	-	220,233
Gronauer Lock	16,966	-	-	16,966
Park Nonreverting Restricted Contributions	489,481	12,042	19,859	481,664
Emergency Medical Equipment	150,680	42,960	130,727	62,913
D.A.R.E.	4,422	-	-	4,422
TIF Maplecrest Road	11,718	14,546	4,000	22,264

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

CITY OF NEW HAVEN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011
(Continued)

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Park Nonreverting Pool	136,000	-	21,795	114,205
Park Nonreverting Baseball Diamond	2,094	3,800	4,284	1,610
Park Special Events	4,551	16,418	11,354	9,615
Police Building and Equipment	20,352	27,512	23,256	24,608
Petty Cash	1,300	-	-	1,300
Fire Department Special Equipment	3,175	4,852	2,405	5,622
Emergency Medical PERF	21,424	50	-	21,474
Grants	17,943	453,168	445,131	25,980
Lease Rental	189,906	283,858	361,400	112,364
Jury Pool Lease Rental	-	332,681	167,801	164,880
EDIT Bonds Debt Reserve	-	2,982,000	2,717,910	264,090
Payroll	3,424	2,664,411	2,657,538	10,297
2010 Utility Equipment Lease	34,506	-	34,506	-
Storm Water Utility Operating	1,204,208	938,252	1,570,975	571,485
Storm Water Utility Improvement	763,130	1,061,617	317,874	1,506,873
Wastewater Utility Operating	570,666	3,321,573	3,474,424	417,815
Wastewater Utility Bond and Interest	755,725	900,060	1,004,543	651,242
Wastewater Utility Improvement	3,344,396	425,902	980,603	2,789,695
Wastewater Utility Debt Reserve	988,970	-	10,695	978,275
Water Utility Operating	362,165	1,952,305	1,993,537	320,933
Water Utility Bond and Interest	108,519	363,080	439,247	32,352
Water Utility Improvement	104,948	12	39,467	65,493
Water Utility Customer Deposit	71,080	6,050	4,425	72,705
Water Utility Construction	-	3,428,546	497,327	2,931,219
Water Utility Depreciation	20,550	-	-	20,550
Water Utility Debt Reserve	329,805	322,400	-	652,205
Totals	<u>\$ 22,769,668</u>	<u>\$ 34,000,051</u>	<u>\$ 30,926,834</u>	<u>\$ 25,842,885</u>

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

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

Penalties which include fees received for late payments.

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

E. Disbursements

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

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

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

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

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

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

F. Interfund Transfers

The City may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

State statutes authorize the City to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial 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 City by recording as a disbursement any replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

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

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

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

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

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

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy

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

Note 7. Subsequent Event

The City refunded the 2002 Water Works Revenue Bonds with the 2012 Water Works Refunding Revenue Bonds on April 10, 2012, for \$2,645,000, with an interest rate of 1.88 percent to be repaid over the next 12 years.

The Bank of New York Mellon Trust Company, NA will hold the funds for payoff in escrow from April 10, 2012 to July 1, 2012, when the 2002 Bonds will be redeemed.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the City which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the 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 approved by management of the City. It is presented as intended by the City.

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General	Motor Vehicle Highway	Local Road and Street	Park Nonreverting Operating	Emergency Medical Service	Law Enforcement Continuing Education	Clerk's Record Perpetuation
Cash and investments - beginning	\$ 2,634,009	\$ 2,147,042	\$ 419,000	\$ 54,837	\$ 244,449	\$ 26,954	\$ 109,982
Receipts:							
Taxes	3,153,097	584,535	-	-	-	-	-
Licenses and permits	12,790	9,355	-	-	-	-	-
Intergovernmental	909,398	639,736	140,008	-	-	-	-
Charges for services	289,984	-	-	63,371	706,706	11,846	-
Fines and forfeits	346,842	-	-	-	-	-	26,109
Utility fees	-	-	-	-	-	-	-
Other receipts	35,958	4,766	788	3	9,718	-	48
Total receipts	<u>4,748,069</u>	<u>1,238,392</u>	<u>140,796</u>	<u>63,374</u>	<u>716,424</u>	<u>11,846</u>	<u>26,157</u>
Disbursements:							
Personal services	2,465,770	416,334	-	-	526,118	-	-
Supplies	95,791	143,521	-	-	37,273	6,780	5,357
Other services and charges	1,947,750	99,312	-	76,026	77,805	3,769	1,165
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	141,635	837,117	-	-	7,350	-	9,246
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	182,372	-	-	17,393	-	-
Total disbursements	<u>4,650,946</u>	<u>1,678,656</u>	<u>-</u>	<u>76,026</u>	<u>665,939</u>	<u>10,549</u>	<u>15,768</u>
Excess (deficiency) of receipts over disbursements	<u>97,123</u>	<u>(440,264)</u>	<u>140,796</u>	<u>(12,652)</u>	<u>50,485</u>	<u>1,297</u>	<u>10,389</u>
Cash and investments - ending	<u>\$ 2,731,132</u>	<u>\$ 1,706,778</u>	<u>\$ 559,796</u>	<u>\$ 42,185</u>	<u>\$ 294,934</u>	<u>\$ 28,251</u>	<u>\$ 120,371</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Riverboat	Park and Recreation	Court User Fee	Fire Department	Rainy Day	CEDIT	Levy Excess
Cash and investments - beginning	\$ 250,390	\$ 303,245	\$ 161,529	\$ 255,776	\$ 668,053	\$ 1,769,458	\$ 14,752
Receipts:							
Taxes	-	755,978	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	77,637	70,010	-	-	-	918,852	-
Charges for services	-	205,277	-	1,196,151	-	-	-
Fines and forfeits	-	-	134,214	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	2,203	1,920	114	276	1,532	329,738	-
Total receipts	79,840	1,033,185	134,328	1,196,427	1,532	1,248,590	-
Disbursements:							
Personal services	134,400	600,098	47,625	991,867	-	56,040	-
Supplies	-	86,238	2,771	53,512	-	-	-
Other services and charges	-	189,603	954	139,637	-	274,199	-
Debt service - principal and interest	-	8,696	-	-	-	346,151	-
Capital outlay	-	45,630	19,486	5,638	-	142,680	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	2,343	37,384	-	-	150,000	14,752
Total disbursements	134,400	932,608	108,220	1,190,654	-	969,070	14,752
Excess (deficiency) of receipts over disbursements	(54,560)	100,577	26,108	5,773	1,532	279,520	(14,752)
Cash and investments - ending	\$ 195,830	\$ 403,822	\$ 187,637	\$ 261,549	\$ 669,585	\$ 2,048,978	\$ -

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	TIF 469	Cumulative Capital Improvement	Park Nonreverting Capital	Redevelopment Capital	Cumulative Building and Firefighting Equipment	Economic Development Revolving	General Improvement
Cash and investments - beginning	\$ 269,685	\$ 447,461	\$ 3,000	\$ 812,980	\$ 370,855	\$ 1,164,762	\$ 151,222
Receipts:							
Taxes	234,345	-	-	-	144,506	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	35,627	-	-	15,251	-	-
Charges for services	-	-	9,295	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	87	836	-	1,893	13,725	127,711	-
Total receipts	<u>234,432</u>	<u>36,463</u>	<u>9,295</u>	<u>1,893</u>	<u>173,482</u>	<u>127,711</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	30,623	-	-	-	-	-
Debt service - principal and interest	458,500	-	-	-	-	-	-
Capital outlay	-	16,637	1,429	-	14,379	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>458,500</u>	<u>47,260</u>	<u>1,429</u>	<u>-</u>	<u>14,379</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(224,068)</u>	<u>(10,797)</u>	<u>7,866</u>	<u>1,893</u>	<u>159,103</u>	<u>127,711</u>	<u>-</u>
Cash and investments - ending	<u>\$ 45,617</u>	<u>\$ 436,664</u>	<u>\$ 10,866</u>	<u>\$ 814,873</u>	<u>\$ 529,958</u>	<u>\$ 1,292,473</u>	<u>\$ 151,222</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Police Officers' Pension	Court Fees Due County	City Court	Insurance Reserve	Gronauer Lock	Park Nonreverting Restricted Contributions
Cash and investments - beginning	\$ 520,542	\$ 54,380	\$ 183,201	\$ -	\$ 16,966	\$ 489,481
Receipts:						
Taxes	8,245	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	119,506	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	545,310	2,325,092	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,334	-	-	220,233	-	12,042
Total receipts	129,085	545,310	2,325,092	220,233	-	12,042
Disbursements:						
Personal services	250	-	-	-	-	-
Supplies	-	-	-	-	-	1,249
Other services and charges	118,770	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	18,610
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	559,118	2,344,457	-	-	-
Total disbursements	119,020	559,118	2,344,457	-	-	19,859
Excess (deficiency) of receipts over disbursements	10,065	(13,808)	(19,365)	220,233	-	(7,817)
Cash and investments - ending	<u>\$ 530,607</u>	<u>\$ 40,572</u>	<u>\$ 163,836</u>	<u>\$ 220,233</u>	<u>\$ 16,966</u>	<u>\$ 481,664</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Emergency Medical Equipment	D.A.R.E.	TIF Maplecrest Road	Park Nonreverting Pool	Park Nonreverting Baseball Diamond	Park Special Events
Cash and investments - beginning	\$ 150,680	\$ 4,422	\$ 11,718	\$ 136,000	\$ 2,094	\$ 4,551
Receipts:						
Taxes	-	-	14,546	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	42,769	-	-	-	3,800	16,418
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	191	-	-	-	-	-
Total receipts	42,960	-	14,546	-	3,800	16,418
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	4,284	-
Other services and charges	-	-	-	752	-	11,354
Debt service - principal and interest	-	-	4,000	-	-	-
Capital outlay	130,727	-	-	21,043	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	130,727	-	4,000	21,795	4,284	11,354
Excess (deficiency) of receipts over disbursements	(87,767)	-	10,546	(21,795)	(484)	5,064
Cash and investments - ending	<u>\$ 62,913</u>	<u>\$ 4,422</u>	<u>\$ 22,264</u>	<u>\$ 114,205</u>	<u>\$ 1,610</u>	<u>\$ 9,615</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Police Building and Equipment	Petty Cash	Fire Department Special Equipment	Emergency Medical PERF	Grants	Lease Rental
Cash and investments - beginning	\$ 20,352	\$ 1,300	\$ 3,175	\$ 21,424	\$ 17,943	\$ 189,906
Receipts:						
Taxes	-	-	-	-	-	256,466
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	430,590	27,067
Charges for services	-	-	1,642	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	<u>27,512</u>	<u>-</u>	<u>3,210</u>	<u>50</u>	<u>22,578</u>	<u>325</u>
Total receipts	<u>27,512</u>	<u>-</u>	<u>4,852</u>	<u>50</u>	<u>453,168</u>	<u>283,858</u>
Disbursements:						
Personal services	-	-	-	-	19,086	-
Supplies	7,485	-	285	-	-	-
Other services and charges	3,795	-	1,880	-	-	-
Debt service - principal and interest	-	-	-	-	-	361,400
Capital outlay	11,976	-	240	-	426,045	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>23,256</u>	<u>-</u>	<u>2,405</u>	<u>-</u>	<u>445,131</u>	<u>361,400</u>
Excess (deficiency) of receipts over disbursements	<u>4,256</u>	<u>-</u>	<u>2,447</u>	<u>50</u>	<u>8,037</u>	<u>(77,542)</u>
Cash and investments - ending	<u>\$ 24,608</u>	<u>\$ 1,300</u>	<u>\$ 5,622</u>	<u>\$ 21,474</u>	<u>\$ 25,980</u>	<u>\$ 112,364</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Jury Pool Lease Rental	EDIT Bonds Debt Reserve	Payroll	2010 Utility Equipment Lease	Storm Water Utility Operating	Storm Water Utility Improvement
Cash and investments - beginning	\$ -	\$ -	\$ 3,424	\$ 34,506	\$ 1,204,208	\$ 763,130
Receipts:						
Taxes	304,483	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	28,198	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	938,001	-
Other receipts	-	2,982,000	2,664,411	-	251	1,061,617
Total receipts	332,681	2,982,000	2,664,411	-	938,252	1,061,617
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	167,801	2,665,827	-	-	-	-
Capital outlay	-	-	-	34,506	30,562	317,874
Utility operating expenses	-	-	-	-	427,113	-
Other disbursements	-	52,083	2,657,538	-	1,113,300	-
Total disbursements	167,801	2,717,910	2,657,538	34,506	1,570,975	317,874
Excess (deficiency) of receipts over disbursements	164,880	264,090	6,873	(34,506)	(632,723)	743,743
Cash and investments - ending	<u>\$ 164,880</u>	<u>\$ 264,090</u>	<u>\$ 10,297</u>	<u>\$ -</u>	<u>\$ 571,485</u>	<u>\$ 1,506,873</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Wastewater Utility Operating	Wastewater Utility Bond and Interest	Wastewater Utility Improvement	Wastewater Utility Debt Reserve	Water Utility Operating	Water Utility Bond and Interest
Cash and investments - beginning	\$ 570,666	\$ 755,725	\$ 3,344,396	\$ 988,970	\$ 362,165	\$ 108,519
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	3,202,326	-	-	-	1,949,541	-
Other receipts	119,247	900,060	425,902	-	2,764	363,080
Total receipts	3,321,573	900,060	425,902	-	1,952,305	363,080
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	961,735	-	-	-	439,247
Capital outlay	-	-	980,603	-	-	-
Utility operating expenses	2,190,424	-	-	-	1,463,484	-
Other disbursements	1,284,000	42,808	-	10,695	530,053	-
Total disbursements	3,474,424	1,004,543	980,603	10,695	1,993,537	439,247
Excess (deficiency) of receipts over disbursements	(152,851)	(104,483)	(554,701)	(10,695)	(41,232)	(76,167)
Cash and investments - ending	\$ 417,815	\$ 651,242	\$ 2,789,695	\$ 978,275	\$ 320,933	\$ 32,352

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Water Utility Improvement	Water Utility Customer Deposit	Water Utility Construction	Water Utility Depreciation	Water Utility Debt Reserve	Totals
Cash and investments - beginning	\$ 104,948	\$ 71,080	\$ -	\$ 20,550	\$ 329,805	\$ 22,769,668
Receipts:						
Taxes	-	-	-	-	-	5,456,201
Licenses and permits	-	-	-	-	-	22,145
Intergovernmental	-	-	-	-	-	3,411,880
Charges for services	-	-	-	-	-	2,547,259
Fines and forfeits	-	-	-	-	-	3,377,567
Utility fees	-	-	-	-	-	6,089,868
Other receipts	<u>12</u>	<u>6,050</u>	<u>3,428,546</u>	<u>-</u>	<u>322,400</u>	<u>13,095,131</u>
Total receipts	<u>12</u>	<u>6,050</u>	<u>3,428,546</u>	<u>-</u>	<u>322,400</u>	<u>34,000,051</u>
Disbursements:						
Personal services	-	-	-	-	-	5,257,588
Supplies	-	-	-	-	-	444,546
Other services and charges	-	-	-	-	-	2,977,394
Debt service - principal and interest	-	-	-	-	-	5,413,357
Capital outlay	39,467	-	436,844	-	-	3,689,724
Utility operating expenses	-	-	-	-	-	4,081,021
Other disbursements	<u>-</u>	<u>4,425</u>	<u>60,483</u>	<u>-</u>	<u>-</u>	<u>9,063,204</u>
Total disbursements	<u>39,467</u>	<u>4,425</u>	<u>497,327</u>	<u>-</u>	<u>-</u>	<u>30,926,834</u>
Excess (deficiency) of receipts over disbursements	<u>(39,455)</u>	<u>1,625</u>	<u>2,931,219</u>	<u>-</u>	<u>322,400</u>	<u>3,073,217</u>
Cash and investments - ending	<u>\$ 65,493</u>	<u>\$ 72,705</u>	<u>\$ 2,931,219</u>	<u>\$ 20,550</u>	<u>\$ 652,205</u>	<u>\$ 25,842,885</u>

CITY OF NEW HAVEN
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 217,486	\$ 51,890
Storm Water	11,818	27,344
Wastewater	245,956	77,534
Water	<u>58,968</u>	<u>94,727</u>
Totals	<u>\$ 534,228</u>	<u>\$ 251,495</u>

CITY OF NEW HAVEN
SCHEDULE OF LEASES AND DEBT
December 31, 2011

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: Key Government Finance	Leaf Collector Sewer Jet Truck Truck and Plow	\$ 58,904	01-30-11	07-30-13
			Principal and Interest Due Within One Year	
Type	Description of Debt Purpose	Ending Principal Balance		
Governmental activities:				
Revenue bonds	EDIT Bond of 2011 - Refund BAN of 2008 - street improvements	\$ 2,860,000	\$ 254,380	
Notes and loans payable	City Hall - Police Station - construction of building	2,570,000	292,000	
Notes and loans payable	Jury Pool - construction of pool	<u>4,075,000</u>	<u>335,000</u>	
Total governmental activities		<u>9,505,000</u>	<u>881,380</u>	
Wastewater:				
Revenue bonds	Wastewater Refunding Bonds 2011 - Refund Bonds 2001 - construction of sewer lines	1,270,000	119,928	
Revenue bonds	Sewage Works Revenue Bonds 2005 - construction for sewer separation	3,325,000	286,370	
Revenue bonds	Sewage Works Revenue Bonds 2006 - construction for sewer separation	<u>6,700,000</u>	<u>542,699</u>	
Total Wastewater		<u>11,295,000</u>	<u>948,997</u>	
Water:				
Revenue bonds	Water 2002 A Bonds - construction of water lines	2,665,000	301,660	
Revenue bonds	Water 2011 Bonds - construction of water lines	<u>3,680,000</u>	<u>265,868</u>	
Total Water		<u>6,345,000</u>	<u>567,528</u>	
Totals		<u>\$ 27,145,000</u>	<u>\$ 2,397,905</u>	

CITY OF NEW HAVEN
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 1,261,175
Infrastructure	12,977,551
Buildings	5,745,372
Improvements other than buildings	3,432,268
Machinery, equipment and vehicles	5,986,576
Construction in progress	8,134,889
Total governmental activities	37,537,831
Storm Water:	
Improvements other than buildings	2,043,061
Machinery, equipment and vehicles	522,938
Construction in progress	8,724
Total Storm Water	2,574,723
Wastewater:	
Land	251,700
Buildings	1,924,425
Improvements other than buildings	22,026,765
Machinery, equipment and vehicles	794,929
Construction in progress	673,209
Total Wastewater	25,671,028
Water:	
Land	11,000
Buildings	64,667
Improvements other than buildings	12,333,122
Machinery, equipment and vehicles	258,143
Construction in progress	250,997
Total Water	12,917,929
Total capital assets	\$ 78,701,511

CITY OF NEW HAVEN
EXAMINATION RESULTS AND COMMENTS

EMS ACCOUNTS RECEIVABLE PRINTOUTS

As reported in previous Reports B23995, B26113, B28991, B30887, B32820, B34909, B38143, and B39850, the EMS accounts receivable printouts were deficient.

The various reports should all have the same accounts receivable balance at any point in time. Accounts receivable as of December 31, 2011, is computed as follows:

Accounts receivable at January 1, 2011 (from prior aged receivables)	\$ 937,348.32
Billings (Revenue Journal)	1,207,875.35
Collections (Cash Journal)	(390,012.90)
Bad Debts (B/D Journal)	(3,001.05)
Contractual allowances (C/A Journal)	<u>(536,399.63)</u>

Accounts Receivable at December 31, 2011 (as calculated from printouts) \$ 1,215,810.09

The various reports reflected the following balances, as of December 31, 2011:

"Billing Receivables Report" \$ 1,235,200.99

"Open Accounts Detail Report" \$ 1,344,666.79

"Accounts Receivable Overall Summary Report"(aged accounts receivable) \$ 1,234,743.81

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

EMS ACCOUNTS RECEIVABLE BILLINGS AND COLLECTIONS

As reported in previous Reports B34909, B38143, and B39850, little collection effort was indicated for several patient accounts. The EMS Department indicated it was waiting for responses to the claims for reimbursement from Medicare, Medicaid, or other commercial insurers. These claims should be followed up on until a response is obtained. If the claim is not eligible for insurance reimbursement, then it should be billed back to the patient. Collection procedures need to be implemented and followed in this area.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7) The governing board over the EMS should adopt written collection policies and procedures for those areas not covered by statute.

CITY OF NEW HAVEN
EXAMINATION RESULTS AND COMMENTS
(Continued)

EMS COLLECTIONS NOT REMITTED TIMELY

As reported in previous Reports B34909, B38143 and B39850, the EMS Department is not remitting collections to the Clerk-Treasurer on a timely basis.

Indiana Code 5-13-6-1(d) states in part: "A city or town shall deposit funds not later than the next business day following receipt of the funds in depositories selected by the city or town as provided in an ordinance adopted by the city or town."

EMS RECORDS AVAILABLE FOR AUDIT IN PROPER FORMAT

The Year-To-Date printouts actually included four years of information (2008 to 2011) and the transactions were not listed in sequential order, but rather in haphazard order. This had been discussed with the EMS Chief since the 2009 examination when it was first noted to be an issue. The EMS Chief was able to print out some reports upon our request using a "date range" to capture certain transaction types for the examination period only. These reports also did not list transactions sequentially.

The Snow and Sauerteig Collection Agency printout dated July 23, 2012, was the only Collection Agency report provided for our examination. A year-end Collection Agency report dated December 31 needs to be provided to correspond to the end date of our examination period.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Public records, financial statement information and supporting information generated through the computer system must be maintained in a manner that will allow access for audit and public inquiry on equipment of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF NEW HAVEN
EXIT CONFERENCE

The contents of this report were discussed on September 5, 2012, with Terry E. McDonald, Mayor; Brenda D. Adams, Clerk-Treasurer; and Ed Lytle, EMS Chief. The officials concurred with our findings.