

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF GOODLAND

NEWTON COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
11/16/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Tina M. Ward	01-01-07 to 12-31-14
President of the Town Council	James Butler	01-01-10 to 12-31-12
Superintendent of Water Utility	Charles Rees	01-01-10 to 12-31-12
Superintendent of Wastewater Utility	John Miller	01-01-10 to 12-31-12



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF GOODLAND, NEWTON COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Goodland (Town), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements 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, 2010 and 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules 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 statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, Town 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

October 10, 2012

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

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 374,555	\$ 230,057	\$ 305,721	\$ 298,891
Cash Box	200	-	-	200
Veterans Flag Fund	-	535	183	352
Foster Park Veterans Memorial	-	15,700	3,794	11,906
General/Mccord	28,037	-	-	28,037
Retirement	795	-	-	795
Motor Vehicle Highway	100,198	150,998	153,202	97,994
Local Roads & Streets	315	5,030	3,500	1,845
Housing Grant	-	106,135	79,035	27,100
Law Enforcement Cont Ed	819	360	-	1,179
Park Pond Donation Fund	374	24,183	31,737	(7,180)
Community Center Donation Fund	125	-	-	125
Community Center Exp Donations	8,688	1,725	-	10,413
Rainy Day Fund	18,325	8,209	-	26,534
Economic Development Commission	93,725	89,008	50,500	132,233
Economic Development P.I.	8,206	111	-	8,317
Daycare	1,800	-	-	1,800
Good Neighbor Donation Fund	183,470	94,659	166,815	111,314
Trash Removal	27,523	49,041	56,028	20,536
Lease Rental Payment	24,800	4,400	-	29,200
Co Economic Development Loan	(66,763)	-	-	(66,763)
Cum Capital Development	100,879	8,972	-	109,851
Cum Capital Improvement	659	3,209	2,347	1,521
Hud House	19,285	-	-	19,285
Payroll	6,613	221,797	223,346	5,064
Wastewater Utility-Operating	102,273	184,269	206,553	79,989
Wastewater Util-Bond And Interest	66,804	58,893	59,150	66,547
Wastewater Utility-Debt Reserve	65,700	-	-	65,700
Water Utility-Operating	97,539	183,591	174,461	106,669
Water Utility- Depreciation/ Improve	92,384	16,688	-	109,072
Water Utility-Customer Deposit	31,171	2,600	1,760	32,011
Water Utility-Debt Reserve	63,207	-	-	63,207
Totals	<u>\$ 1,451,706</u>	<u>\$ 1,460,170</u>	<u>\$ 1,518,132</u>	<u>\$ 1,393,744</u>

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

TOWN OF GOODLAND
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	\$ 298,891	\$ 212,710	\$ 358,390	\$ 153,211
Motor Vehicle Highway	97,994	104,671	146,444	56,221
Local Roads & Streets	1,845	4,474	3,500	2,819
Housing Grant	27,100	11,247	18,397	19,950
Law Enforcement Cont Ed	1,179	60	-	1,239
Park Pond Donation Fund	(7,180)	56,037	56,451	(7,594)
Rainy Day Fund	26,534	-	-	26,534
Cum Capital Development	109,851	9,003	-	118,854
Cum Capital Improvement	1,521	3,147	3,500	1,168
Cash Box	200	-	-	200
Veterans Flag Fund	352	2,550	1,892	1,010
Sesquicentennial Fund	-	698	-	698
Foster Park Veterans Memorial	11,906	6,900	1,642	17,164
General/Mccord	28,037	-	-	28,037
Retirement	795	-	-	795
Community Center Donation Fund	125	-	-	125
Community Center Exp Donations	10,413	1,525	-	11,938
Economic Development Commission	132,233	82,251	25,000	189,484
Economic Development P.I.	8,317	67	-	8,384
Daycare	1,800	-	-	1,800
Good Neighbor Donation Fund	111,314	148,808	180,705	79,417
Trash Removal	20,536	54,664	60,771	14,429
Lease Rental Payment	29,200	5,600	-	34,800
Co Economic Development Loan	(66,763)	-	-	(66,763)
Hud House	19,285	-	-	19,285
Payroll	5,064	234,192	240,692	(1,436)
Wastewater Utility-Operating	79,989	188,324	177,827	90,486
Wastewater Util-Bond And Interest	66,547	61,548	58,063	70,032
Wastewater Utility-Debt Reserve	65,700	-	-	65,700
Water Utility-Operating	106,669	189,588	228,315	67,942
Water Utility- Depreciation/ Improve	109,072	17,950	-	127,022
Water Utility-Customer Deposit	32,011	1,100	900	32,211
Water Utility-Debt Reserve	63,207	-	-	63,207
Totals	<u>\$ 1,393,744</u>	<u>\$ 1,397,114</u>	<u>\$ 1,562,489</u>	<u>\$ 1,228,369</u>

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

TOWN OF GOODLAND
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, trash, and urban redevelopment and housing.

The accompanying financial statements present the financial information for the Town.

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 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 economic development income tax, and other taxes that are set by the Town.

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

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

TOWN OF GOODLAND
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, and fines and fees.

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 statements. The aggregate disbursements include the following uses:

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

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

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

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

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

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.

TOWN OF GOODLAND
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

Note 4. Deposits and Investments

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

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

TOWN OF GOODLAND
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 5. Risk Management

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

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension Plan

The Town contributes to a pension plan unique to the Town. Information regarding this plan may be obtained from the Town.

Note 7. Subsequent Events

In the period subsequent to December 31, 2011, the Town has applied for and received two federal grants. One is for the Storm Water Project and the other is assistance in rebuilding the water tower.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town'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 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 approved by management of the Town. It is presented as intended by the Town.

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

	General	Cash Box	Veterans Flag Fund	Foster Park Veterans Memorial	General/Mccord	Retirement	Motor Vehicle Highway	Local Roads & Streets	Housing Grant
Cash and investments - beginning	\$ 374,555	\$ 200	\$ -	\$ -	\$ 28,037	\$ 795	\$ 100,198	\$ 315	\$ -
Receipts:									
Taxes	196,132	-	-	-	-	-	123,389	-	-
Licenses and permits	2,075	-	-	-	-	-	-	-	-
Intergovernmental	3,321	-	-	-	-	-	27,609	5,030	75,135
Charges for services	8,338	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Other receipts	20,191	-	535	15,700	-	-	-	-	31,000
Total receipts	230,057	-	535	15,700	-	-	150,998	5,030	106,135
Disbursements:									
Personal Services	109,883	-	-	-	-	-	60,494	-	-
Supplies	22,592	-	183	3,794	-	-	25,229	-	-
Other services and charges	140,910	-	-	-	-	-	61,367	3,500	79,035
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	32,336	-	-	-	-	-	6,112	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-
Total disbursements	305,721	-	183	3,794	-	-	153,202	3,500	79,035
Excess (deficiency) of receipts over disbursements	(75,664)	-	352	11,906	-	-	(2,204)	1,530	27,100
Cash and investments - ending	\$ 298,891	\$ 200	\$ 352	\$ 11,906	\$ 28,037	\$ 795	\$ 97,994	\$ 1,845	\$ 27,100

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

	Law Enforcement Cont Ed	Park Pond Donation Fund	Community Center Donation Fund	Community Center Exp Donations	Rainy Day Fund	Economic Development Commission	Economic Development P.I.	Daycare
Cash and investments - beginning	\$ 819	\$ 374	\$ 125	\$ 8,688	\$ 18,325	\$ 93,725	\$ 8,206	\$ 1,800
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	350	-	-	-	-	-	111	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	10	24,183	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	-	-	-	1,725	8,209	89,008	-	-
Total receipts	360	24,183	-	1,725	8,209	89,008	111	-
Disbursements:								
Personal Services	-	-	-	-	-	-	-	-
Supplies	-	5,966	-	-	-	-	-	-
Other services and charges	-	25,771	-	-	-	50,500	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	-	31,737	-	-	-	50,500	-	-
Excess (deficiency) of receipts over disbursements	360	(7,554)	-	1,725	8,209	38,508	111	-
Cash and investments - ending	\$ 1,179	\$ (7,180)	\$ 125	\$ 10,413	\$ 26,534	\$ 132,233	\$ 8,317	\$ 1,800

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

	Good Neighbor Donation Fund	Trash Removal	Lease Rental Payment	Co Economic Development Loan	Cum Capital Development	Cum Capital Improvement	Hud House	Payroll
Cash and investments - beginning	\$ 183,470	\$ 27,523	\$ 24,800	\$ (66,763)	\$ 100,879	\$ 659	\$ 19,285	\$ 6,613
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	3,209	-	-
Charges for services	-	49,041	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Other receipts	94,659	-	4,400	-	8,972	-	-	221,797
Total receipts	94,659	49,041	4,400	-	8,972	3,209	-	221,797
Disbursements:								
Personal Services	-	6,355	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	49,673	-	-	-	2,347	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	127,415	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	39,400	-	-	-	-	-	-	223,346
Total disbursements	166,815	56,028	-	-	-	2,347	-	223,346
Excess (deficiency) of receipts over disbursements	(72,156)	(6,987)	4,400	-	8,972	862	-	(1,549)
Cash and investments - ending	\$ 111,314	\$ 20,536	\$ 29,200	\$ (66,763)	\$ 109,851	\$ 1,521	\$ 19,285	\$ 5,064

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

	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Debt Reserve	Water Utility-Operating	Water Utility- Depreciation/ Improve	Water Utility-Customer Deposit	Water Utility-Debt Reserve	Totals
Cash and investments - beginning	\$ 102,273	\$ 66,804	\$ 65,700	\$ 97,539	\$ 92,384	\$ 31,171	\$ 63,207	\$ 1,451,706
Receipts:								
Taxes	-	-	-	-	-	-	-	319,521
Licenses and permits	-	-	-	-	-	-	-	2,536
Intergovernmental	-	-	-	-	-	-	-	114,304
Charges for services	-	-	-	-	-	-	-	81,572
Utility fees	184,269	-	-	183,591	-	2,600	-	370,460
Other receipts	-	58,893	-	-	16,688	-	-	571,777
Total receipts	184,269	58,893	-	183,591	16,688	2,600	-	1,460,170
Disbursements:								
Personal Services	-	-	-	-	-	-	-	176,732
Supplies	-	-	-	-	-	-	-	57,764
Other services and charges	-	-	-	-	-	-	-	413,103
Debt service - principal and interest	69,873	30,000	-	31,797	-	-	-	131,670
Capital outlay	1,048	-	-	3,999	-	-	-	170,910
Utility operating expenses	104,853	29,150	-	88,194	-	1,760	-	223,957
Other disbursements	30,779	-	-	50,471	-	-	-	343,996
Total disbursements	206,553	59,150	-	174,461	-	1,760	-	1,518,132
Excess (deficiency) of receipts over disbursements	(22,284)	(257)	-	9,130	16,688	840	-	(57,962)
Cash and investments - ending	\$ 79,989	\$ 66,547	\$ 65,700	\$ 106,669	\$ 109,072	\$ 32,011	\$ 63,207	\$ 1,393,744

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

	General	Motor Vehicle Highway	Local Roads & Streets	Housing Grant	Law Enforcement Cont Ed	Park Pond Donation Fund	Rainy Day Fund	Cum Capital Development	Cum Capital Improvement
Cash and investments - beginning	\$ 298,891	\$ 97,994	\$ 1,845	\$ 27,100	\$ 1,179	\$ (7,180)	\$ 26,534	\$ 109,851	\$ 1,521
Receipts:									
Taxes	209,965	74,126	-	-	-	-	-	9,003	-
Licenses and permits	650	-	-	-	60	-	-	-	-
Intergovernmental	2,095	30,545	4,474	-	-	-	-	-	3,147
Charges for services	-	-	-	-	-	56,037	-	-	-
Utility fees	-	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	11,247	-	-	-	-	-
Total receipts	<u>212,710</u>	<u>104,671</u>	<u>4,474</u>	<u>11,247</u>	<u>60</u>	<u>56,037</u>	<u>-</u>	<u>9,003</u>	<u>3,147</u>
Disbursements:									
Personal services	154,432	63,598	-	-	-	-	-	-	-
Supplies	22,443	76,824	-	-	-	6,072	-	-	-
Other services and charges	181,515	6,022	3,500	18,397	-	50,379	-	-	3,500
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-
Total disbursements	<u>358,390</u>	<u>146,444</u>	<u>3,500</u>	<u>18,397</u>	<u>-</u>	<u>56,451</u>	<u>-</u>	<u>-</u>	<u>3,500</u>
Excess (deficiency) of receipts over disbursements	<u>(145,680)</u>	<u>(41,773)</u>	<u>974</u>	<u>(7,150)</u>	<u>60</u>	<u>(414)</u>	<u>-</u>	<u>9,003</u>	<u>(353)</u>
Cash and investments - ending	<u>\$ 153,211</u>	<u>\$ 56,221</u>	<u>\$ 2,819</u>	<u>\$ 19,950</u>	<u>\$ 1,239</u>	<u>\$ (7,594)</u>	<u>\$ 26,534</u>	<u>\$ 118,854</u>	<u>\$ 1,168</u>

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

	Cash Box	Veterans Flag Fund	Sesquicentennial Fund	Foster Park Veterans Memorial	General/Mccord	Retirement	Community Center Donation Fund	Community Center Exp Donations	Economic Development Commission
Cash and investments - beginning	\$ 200	\$ 352	\$ -	\$ 11,906	\$ 28,037	\$ 795	\$ 125	\$ 10,413	\$ 132,233
Receipts:									
Taxes	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	1,525	-
Utility fees	-	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-
Other receipts	-	2,550	698	6,900	-	-	-	-	82,251
Total receipts	-	2,550	698	6,900	-	-	-	1,525	82,251
Disbursements:									
Personal services	-	-	-	-	-	-	-	-	-
Supplies	-	1,892	-	1,642	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-	25,000
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,892	-	1,642	-	-	-	-	25,000
Excess (deficiency) of receipts over disbursements	-	658	698	5,258	-	-	-	1,525	57,251
Cash and investments - ending	\$ 200	\$ 1,010	\$ 698	\$ 17,164	\$ 28,037	\$ 795	\$ 125	\$ 11,938	\$ 189,484

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

	Economic Development P.I.	Daycare	Good Neighbor Donation Fund	Trash Removal	Lease Rental Payment	Co Economic Development Loan	Hud House	Payroll
Cash and investments - beginning	\$ 8,317	\$ 1,800	\$ 111,314	\$ 20,536	\$ 29,200	\$ (66,763)	\$ 19,285	\$ 5,064
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	148,808	54,664	5,600	-	-	234,192
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	67	-	-	-	-	-	-	-
Total receipts	67	-	148,808	54,664	5,600	-	-	234,192
Disbursements:								
Personal services	-	-	-	7,466	-	-	-	189,391
Supplies	-	-	-	49,892	-	-	-	-
Other services and charges	-	-	180,705	3,413	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	51,301
Total disbursements	-	-	180,705	60,771	-	-	-	240,692
Excess (deficiency) of receipts over disbursements	67	-	(31,897)	(6,107)	5,600	-	-	(6,500)
Cash and investments - ending	\$ 8,384	\$ 1,800	\$ 79,417	\$ 14,429	\$ 34,800	\$ (66,763)	\$ 19,285	\$ (1,436)

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

	Wastewater Utility-Operating	Wastewater Util-Bond And Interest	Wastewater Utility-Debt Reserve	Water Utility-Operating	Water Utility- Depreciation/ Improve	Water Utility-Customer Deposit	Water Utility-Debt Reserve	Totals
Cash and investments - beginning	\$ 79,989	\$ 66,547	\$ 65,700	\$ 106,669	\$ 109,072	\$ 32,011	\$ 63,207	\$ 1,393,744
Receipts:								
Taxes	-	-	-	-	-	-	-	293,094
Licenses and permits	-	-	-	-	-	-	-	710
Intergovernmental	-	-	-	-	-	-	-	40,261
Charges for services	-	-	-	-	-	-	-	500,826
Utility fees	181,906	-	-	183,254	-	1,100	-	366,260
Penalties	6,418	-	-	2,039	-	-	-	8,457
Other receipts	-	61,548	-	4,295	17,950	-	-	187,506
Total receipts	188,324	61,548	-	189,588	17,950	1,100	-	1,397,114
Disbursements:								
Personal services	-	-	-	-	-	-	-	414,887
Supplies	-	-	-	-	-	-	-	158,765
Other services and charges	-	-	-	-	-	-	-	472,431
Debt service - principal and interest	-	58,063	-	-	-	-	-	58,063
Utility operating expenses	116,279	-	-	210,365	-	-	-	326,644
Other disbursements	61,548	-	-	17,950	-	900	-	131,699
Total disbursements	177,827	58,063	-	228,315	-	900	-	1,562,489
Excess (deficiency) of receipts over disbursements	10,497	3,485	-	(38,727)	17,950	200	-	(165,375)
Cash and investments - ending	\$ 90,486	\$ 70,032	\$ 65,700	\$ 67,942	\$ 127,022	\$ 32,211	\$ 63,207	\$ 1,228,369

TOWN OF GOODLAND
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ -	\$ -
Wastewater	-	25,775
Water	-	13,311
Trash	-	4,948
	<u>-</u>	<u>44,034</u>
Totals	<u>\$ -</u>	<u>\$ 44,034</u>

TOWN OF GOODLAND
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Wastewater:			
Revenue bonds	WASTEWATER UTILITY	\$ 590,000	\$ 61,800
Totals		<u>\$ 590,000</u>	<u>\$ 61,800</u>

TOWN OF GOODLAND
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	\$ 144,637
Buildings	2,064,382
Improvements other than buildings	128,143
Machinery, equipment and vehicles	445,728
Total governmental activities	2,782,890
Wastewater:	
Land	66,160
Infrastructure	1,867,305
Buildings	159,872
Improvements other than buildings	4,832,068
Machinery, equipment and vehicles	167,402
Total Wastewater	7,092,807
Water:	
Land	6,473
Infrastructure	1,084,712
Buildings	118,350
Improvements other than buildings	296,414
Machinery, equipment and vehicles	171,229
Total Water	1,677,178
Total capital assets	\$ 11,552,875

TOWN OF GOODLAND
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Park Pond Donation Fund and the Co Economic Development Loan Fund were overdrawn in 2010. The Park Pond Donation Fund, the Co Economic Development Loan Fund and the Payroll Fund were overdrawn in 2011. A similar comment has appeared in the previous two reports.

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)

OLD OUTSTANDING CHECKS

Our review of the bank reconcilements, as of December 31, 2011, revealed checks and record corrections outstanding in excess of two years.

Indiana Code 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

Indiana Code 5-11-10.5-3 states in part:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board of finance of the political subdivision or the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

Indiana Code 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

ORDINANCES AND RESOLUTIONS

The Town has an ordinance concerning the procedures for disconnecting utility services for accounts that have become delinquent. However, the Town did not apply these procedures for two Town employees whose utility bills became significantly delinquent.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF GOODLAND
EXIT CONFERENCE

The contents of this report were discussed on October 10, 2012, with Tina M. Ward, Clerk-Treasurer, and James Butler, President of the Town Council. The officials concurred with our findings.