

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, 2012 to December 31, 2012



FILED
12/09/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Brenda Adams	01-01-12 to 12-31-15
Mayor	Terry McDonald	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	Terry McDonald	01-01-12 to 12-31-13
President of the Common Council	Timothy Martin	01-01-12 to 12-31-13
Superintendent of Utilities and Streets	Dave Jones	01-01-12 to 12-31-13
Utility Office Manager	Jill Cain	01-01-12 to 12-31-13



STATE OF INDIANA
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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, 2012. 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 Indiana 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 effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2012.

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, 2012, on the basis of accounting described in Note 1.

INDEPENDENT ACCOUNTANT'S REPORT
(Continued)

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16), enhanced wireless emergency telephone fees (IC 36-8-16.5), and statewide 911 services fees (IC 36-8-16.7). In accordance with Indiana Code 36-8-16-14, Indiana Code 36-8-16.5-41, and Indiana Code 36-8-16.7-38, these fees have been subject to an annual examination performed by the Indiana 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.


Paul D. Joyce, CPA
State Examiner

November 18, 2013

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, 2012

Fund	Cash and Investments		Cash and Investments	
	01-01-12	Receipts	Disbursements	12-31-12
General	\$ 2,731,132	\$ 4,918,401	\$ 4,892,480	\$ 2,757,053
Motor Vehicle Highway	1,706,778	1,488,460	1,355,958	1,839,280
Local Road and Street	559,796	152,152	-	711,948
Park Nonreverting Operating	42,185	52,552	63,832	30,905
EMS	294,934	718,598	661,212	352,320
Law Enforcement Continuing Education	28,251	17,361	14,461	31,151
Clerk's Record Perpetuation	120,371	28,568	21,120	127,819
Riverboat	195,830	87,787	119,700	163,917
Park and Recreation	403,822	1,027,883	966,281	465,424
Court User Fee	187,637	129,192	95,052	221,777
Fire Department	261,549	1,225,430	1,184,176	302,803
Rainy Day	669,585	428,864	-	1,098,449
CEDIT	2,048,978	1,277,866	889,757	2,437,087
TIF 469	45,617	270,150	174,999	140,768
Cumulative Capital Improvement	436,664	39,781	158,581	317,864
Park Nonreverting Capital	10,866	9,363	6,860	13,369
Redevelopment Capital	814,873	1,299	-	816,172
Cumulative Building and Firefighting Equipment	529,958	158,678	275,508	413,128
Economic Development Revolving	1,292,473	127,100	-	1,419,573
General Improvement	151,222	-	-	151,222
Police Officers' Pension	530,607	120,566	121,065	530,108
Court Fees Due County	40,572	536,624	539,363	37,833
Insurance Reserve	220,233	125,350	-	345,583
City Court	163,836	2,835,052	2,844,307	154,581
Gronauer Lock	16,966	-	-	16,966
Park Nonreverting Restricted Donations	481,664	68,514	51,624	498,554
Emergency Medical Equipment	62,913	53,483	3,260	113,136
D.A.R.E.	4,422	-	-	4,422
TIF Maplecrest Road	22,264	13,219	26,575	8,908
Park Nonreverting Pool	114,205	3,500	-	117,705
Park Nonreverting Baseball Diamond	1,610	3,091	2,436	2,265
Park Special Events	9,615	27,082	27,670	9,027
Police Building and Equipment	24,608	29,774	33,582	20,800
Petty Cash	1,300	-	-	1,300
Fire Department Special Equipment	5,622	5,529	5,676	5,475
Emergency Medical PERF	21,474	34	-	21,508
Grants	25,980	264,360	278,332	12,008
Lease Rental	112,364	285,968	292,000	106,332
Jury Pool Lease Rental	164,880	297,822	335,000	127,702
EDIT Bonds Debt Reserve	264,090	242	-	264,332
Payroll	10,297	2,678,110	2,683,722	4,685
Storm Water Utility Operating	571,485	914,955	888,763	597,677
Storm Water Utility Improvement	1,506,873	351,677	549,023	1,309,527
Wastewater Utility Operating	417,815	3,329,182	3,272,557	474,440
Wastewater Utility Bond and Interest	651,242	967,656	948,996	669,902
Wastewater Utility Improvement	2,789,695	153,682	371,063	2,572,314
Wastewater Utility Debt Reserve	978,275	-	-	978,275
Water Utility Operating	320,933	2,494,457	2,393,053	422,337
Water Utility Bond and Interest	32,352	598,360	353,021	277,691
Water Utility Improvement	65,493	150,000	23,457	192,036
Water Utility Customer Deposit	72,705	6,500	5,175	74,030
Water Utility Construction	2,931,219	6,244	1,410,683	1,526,780
Water Utility Depreciation	20,550	22,581	-	43,131
Water Utility Debt Reserve	652,205	-	110,079	542,126
Totals	<u>\$ 25,842,885</u>	<u>\$ 28,503,099</u>	<u>\$ 28,450,459</u>	<u>\$ 25,895,525</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 Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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, including 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 statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Pension 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

Funding Policy

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

CITY OF NEW HAVEN
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 7. *Holding Corporations*

The City has entered into capital leases with City of New Haven, IN Municipal Building Corp. and New Haven - Adams Township Park Facilities Corp. (the lessors). The lessors were organized as not-for-profit corporations pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessors have been determined to be related parties of the City. Lease payments during the year 2012 totaled \$292,000 and \$335,000, respectively.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the 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, 2012

	General	Motor Vehicle Highway	Local Road and Street	Park Nonreverting Operating	EMS	Law Enforcement Continuing Education	Clerk's Record Perpetuation
Cash and investments - beginning	\$ 2,731,132	\$ 1,706,778	\$ 559,796	\$ 42,185	\$ 294,934	\$ 28,251	\$ 120,371
Receipts:							
Taxes	3,144,541	557,776	-	-	-	-	-
Licenses and permits	12,225	5,630	-	-	-	-	-
Intergovernmental	1,106,651	693,938	151,435	-	-	-	-
Charges for services	253,927	-	-	52,552	716,631	10,957	-
Fines and forfeits	383,028	-	-	-	-	6,404	28,568
Utility fees	-	-	-	-	-	-	-
Other receipts	18,029	231,116	717	-	1,967	-	-
Total receipts	<u>4,918,401</u>	<u>1,488,460</u>	<u>152,152</u>	<u>52,552</u>	<u>718,598</u>	<u>17,361</u>	<u>28,568</u>
Disbursements:							
Personal services	2,444,629	406,827	-	-	530,005	-	-
Supplies	37,542	121,803	-	-	28,568	9,176	9,235
Other services and charges	2,110,402	148,800	-	63,832	83,832	5,285	858
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	131,109	579,061	-	-	5,241	-	11,027
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	168,798	99,467	-	-	13,566	-	-
Total disbursements	<u>4,892,480</u>	<u>1,355,958</u>	<u>-</u>	<u>63,832</u>	<u>661,212</u>	<u>14,461</u>	<u>21,120</u>
Excess (deficiency) of receipts over disbursements	<u>25,921</u>	<u>132,502</u>	<u>152,152</u>	<u>(11,280)</u>	<u>57,386</u>	<u>2,900</u>	<u>7,448</u>
Cash and investments - ending	<u>\$ 2,757,053</u>	<u>\$ 1,839,280</u>	<u>\$ 711,948</u>	<u>\$ 30,905</u>	<u>\$ 352,320</u>	<u>\$ 31,151</u>	<u>\$ 127,819</u>

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

	Riverboat	Park and Recreation	Court User Fee	Fire Department	Rainy Day	CEDIT
Cash and investments - beginning	\$ 195,830	\$ 403,822	\$ 187,637	\$ 261,549	\$ 669,585	\$ 2,048,978
Receipts:						
Taxes	-	726,667	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	87,638	71,759	-	-	-	1,275,532
Charges for services	-	223,845	-	1,222,040	-	-
Fines and forfeits	-	-	129,192	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	149	5,612	-	3,390	428,864	2,334
Total receipts	<u>87,787</u>	<u>1,027,883</u>	<u>129,192</u>	<u>1,225,430</u>	<u>428,864</u>	<u>1,277,866</u>
Disbursements:						
Personal services	119,700	638,207	49,496	988,135	-	54,095
Supplies	-	64,951	-	30,451	-	-
Other services and charges	-	213,075	3,825	159,848	-	93,908
Debt service - principal and interest	-	-	-	-	-	52,806
Capital outlay	-	38,433	-	5,742	-	148,604
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	11,615	41,731	-	-	540,344
Total disbursements	<u>119,700</u>	<u>966,281</u>	<u>95,052</u>	<u>1,184,176</u>	<u>-</u>	<u>889,757</u>
Excess (deficiency) of receipts over disbursements	<u>(31,913)</u>	<u>61,602</u>	<u>34,140</u>	<u>41,254</u>	<u>428,864</u>	<u>388,109</u>
Cash and investments - ending	<u>\$ 163,917</u>	<u>\$ 465,424</u>	<u>\$ 221,777</u>	<u>\$ 302,803</u>	<u>\$ 1,098,449</u>	<u>\$ 2,437,087</u>

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

	TIF 469	Cumulative Capital Improvement	Park Nonreverting Capital	Redevelopment Capital	Cumulative Building and Firefighting Equipment	Economic Development Revolving
Cash and investments - beginning	\$ 45,617	\$ 436,664	\$ 10,866	\$ 814,873	\$ 529,958	\$ 1,292,473
Receipts:						
Taxes	270,150	-	-	-	135,477	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	39,237	-	-	15,157	-
Charges for services	-	-	9,363	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	544	-	1,299	8,044	127,100
Total receipts	<u>270,150</u>	<u>39,781</u>	<u>9,363</u>	<u>1,299</u>	<u>158,678</u>	<u>127,100</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	17,861	-	-	1,800	-
Debt service - principal and interest	174,999	-	-	-	-	-
Capital outlay	-	140,720	6,860	-	273,708	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>174,999</u>	<u>158,581</u>	<u>6,860</u>	<u>-</u>	<u>275,508</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>95,151</u>	<u>(118,800)</u>	<u>2,503</u>	<u>1,299</u>	<u>(116,830)</u>	<u>127,100</u>
Cash and investments - ending	<u>\$ 140,768</u>	<u>\$ 317,864</u>	<u>\$ 13,369</u>	<u>\$ 816,172</u>	<u>\$ 413,128</u>	<u>\$ 1,419,573</u>

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

	General Improvement	Police Officers' Pension	Court Fees Due County	Insurance Reserve	City Court	Gronauer Lock
Cash and investments - beginning	\$ 151,222	\$ 530,607	\$ 40,572	\$ 220,233	\$ 163,836	\$ 16,966
Receipts:						
Taxes	-	407	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	118,670	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	536,624	-	2,835,052	-
Utility fees	-	-	-	-	-	-
Other receipts	-	1,489	-	125,350	-	-
Total receipts	-	120,566	536,624	125,350	2,835,052	-
Disbursements:						
Personal services	-	250	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	120,815	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	539,363	-	2,844,307	-
Total disbursements	-	121,065	539,363	-	2,844,307	-
Excess (deficiency) of receipts over disbursements	-	(499)	(2,739)	125,350	(9,255)	-
Cash and investments - ending	\$ 151,222	\$ 530,108	\$ 37,833	\$ 345,583	\$ 154,581	\$ 16,966

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

	Park Nonreverting Restricted Donations	Emergency Medical Equipment	D.A.R.E.	TIF Maplecrest Road	Park Nonreverting Pool	Park Nonreverting Baseball Diamond
Cash and investments - beginning	\$ 481,664	\$ 62,913	\$ 4,422	\$ 22,264	\$ 114,205	\$ 1,610
Receipts:						
Taxes	-	-	-	13,219	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	53,483	-	-	-	3,091
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	68,514	-	-	-	3,500	-
Total receipts	<u>68,514</u>	<u>53,483</u>	<u>-</u>	<u>13,219</u>	<u>3,500</u>	<u>3,091</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	46	-	-	-	-	2,436
Other services and charges	11,259	-	-	-	-	-
Debt service - principal and interest	-	-	-	26,575	-	-
Capital outlay	40,319	3,260	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>51,624</u>	<u>3,260</u>	<u>-</u>	<u>26,575</u>	<u>-</u>	<u>2,436</u>
Excess (deficiency) of receipts over disbursements	<u>16,890</u>	<u>50,223</u>	<u>-</u>	<u>(13,356)</u>	<u>3,500</u>	<u>655</u>
Cash and investments - ending	<u>\$ 498,554</u>	<u>\$ 113,136</u>	<u>\$ 4,422</u>	<u>\$ 8,908</u>	<u>\$ 117,705</u>	<u>\$ 2,265</u>

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

	Park Special Events	Police Building and Equipment	Petty Cash	Fire Department Special Equipment	Emergency Medical PERF	Grants
Cash and investments - beginning	\$ 9,615	\$ 24,608	\$ 1,300	\$ 5,622	\$ 21,474	\$ 25,980
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	243,254
Charges for services	17,918	-	-	2,488	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	9,164	29,774	-	3,041	34	21,106
Total receipts	<u>27,082</u>	<u>29,774</u>	<u>-</u>	<u>5,529</u>	<u>34</u>	<u>264,360</u>
Disbursements:						
Personal services	-	1,724	-	-	-	18,992
Supplies	-	8,339	-	1,488	-	2,604
Other services and charges	27,197	2,380	-	2,388	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	21,139	-	1,800	-	244,893
Utility operating expenses	-	-	-	-	-	-
Other disbursements	473	-	-	-	-	11,843
Total disbursements	<u>27,670</u>	<u>33,582</u>	<u>-</u>	<u>5,676</u>	<u>-</u>	<u>278,332</u>
Excess (deficiency) of receipts over disbursements	<u>(588)</u>	<u>(3,808)</u>	<u>-</u>	<u>(147)</u>	<u>34</u>	<u>(13,972)</u>
Cash and investments - ending	<u>\$ 9,027</u>	<u>\$ 20,800</u>	<u>\$ 1,300</u>	<u>\$ 5,475</u>	<u>\$ 21,508</u>	<u>\$ 12,008</u>

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

	Lease Rental	Jury Pool Lease Rental	EDIT Bonds Debt Reserve	Payroll	Storm Water Utility Operating	Storm Water Utility Improvement
Cash and investments - beginning	\$ 112,364	\$ 164,880	\$ 264,090	\$ 10,297	\$ 571,485	\$ 1,506,873
Receipts:						
Taxes	257,122	270,990	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	28,766	26,761	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	909,821	-
Other receipts	80	71	242	2,678,110	5,134	351,677
Total receipts	<u>285,968</u>	<u>297,822</u>	<u>242</u>	<u>2,678,110</u>	<u>914,955</u>	<u>351,677</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	292,000	335,000	-	-	-	-
Capital outlay	-	-	-	-	25,066	549,023
Utility operating expenses	-	-	-	-	396,120	-
Other disbursements	-	-	-	2,683,722	467,577	-
Total disbursements	<u>292,000</u>	<u>335,000</u>	<u>-</u>	<u>2,683,722</u>	<u>888,763</u>	<u>549,023</u>
Excess (deficiency) of receipts over disbursements	<u>(6,032)</u>	<u>(37,178)</u>	<u>242</u>	<u>(5,612)</u>	<u>26,192</u>	<u>(197,346)</u>
Cash and investments - ending	<u>\$ 106,332</u>	<u>\$ 127,702</u>	<u>\$ 264,332</u>	<u>\$ 4,685</u>	<u>\$ 597,677</u>	<u>\$ 1,309,527</u>

CITY OF NEW HAVEN
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2012
 (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	\$ 417,815	\$ 651,242	\$ 2,789,695	\$ 978,275	\$ 320,933	\$ 32,352
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	3,232,189	-	-	-	2,488,437	-
Other receipts	96,993	967,656	153,682	-	6,020	598,360
Total receipts	<u>3,329,182</u>	<u>967,656</u>	<u>153,682</u>	<u>-</u>	<u>2,494,457</u>	<u>598,360</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	371,063	-	-	-
Utility operating expenses	2,156,153	-	-	-	1,401,483	-
Other disbursements	1,116,404	948,996	-	-	991,570	353,021
Total disbursements	<u>3,272,557</u>	<u>948,996</u>	<u>371,063</u>	<u>-</u>	<u>2,393,053</u>	<u>353,021</u>
Excess (deficiency) of receipts over disbursements	<u>56,625</u>	<u>18,660</u>	<u>(217,381)</u>	<u>-</u>	<u>101,404</u>	<u>245,339</u>
Cash and investments - ending	<u>\$ 474,440</u>	<u>\$ 669,902</u>	<u>\$ 2,572,314</u>	<u>\$ 978,275</u>	<u>\$ 422,337</u>	<u>\$ 277,691</u>

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

	Water Utility Improvement	Water Utility Customer Deposit	Water Utility Construction	Water Utility Depreciation	Water Utility Debt Reserve	Totals
Cash and investments - beginning	\$ 65,493	\$ 72,705	\$ 2,931,219	\$ 20,550	\$ 652,205	\$ 25,842,885
Receipts:						
Taxes	-	-	-	-	-	5,376,349
Licenses and permits	-	-	-	-	-	17,855
Intergovernmental	-	-	-	-	-	3,858,798
Charges for services	-	-	-	-	-	2,566,295
Fines and forfeits	-	-	-	-	-	3,918,868
Utility fees	-	-	-	22,581	-	6,653,028
Other receipts	150,000	6,500	6,244	-	-	6,111,906
Total receipts	150,000	6,500	6,244	22,581	-	28,503,099
Disbursements:						
Personal services	-	-	-	-	-	5,252,060
Supplies	-	-	-	-	-	316,639
Other services and charges	-	-	-	-	-	3,067,365
Debt service - principal and interest	-	-	-	-	-	881,380
Capital outlay	23,457	-	1,410,208	-	-	4,030,733
Utility operating expenses	-	-	-	-	-	3,953,756
Other disbursements	-	5,175	475	-	110,079	10,948,526
Total disbursements	23,457	5,175	1,410,683	-	110,079	28,450,459
Excess (deficiency) of receipts over disbursements	126,543	1,325	(1,404,439)	22,581	(110,079)	52,640
Cash and investments - ending	\$ 192,036	\$ 74,030	\$ 1,526,780	\$ 43,131	\$ 542,126	\$ 25,895,525

CITY OF NEW HAVEN
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2012

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Storm Water	\$ 6,282	\$ 125,204
Wastewater	119,808	1,242,080
Water	480,825	351,763
Governmental activities	<u>172,577</u>	<u>1,301,084</u>
Totals	<u>\$ 779,492</u>	<u>\$ 3,020,131</u>

CITY OF NEW HAVEN
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Capital lease	City Hall /Police Station Building	\$ 293,000		
Capital lease	Jury Pool	<u>331,000</u>		
Total governmental activities		<u>624,000</u>		
Storm Water:				
Key Government Finance	Leaf Collector, Sewer Jet Truck, Truck and Plow	<u>58,904</u>	01-30-11	07-30-13
Wastewater:				
Key Government Finance	Leaf Collector, Sewer Jet Truck, Truck and Plow	<u>58,904</u>	01-30-11	07-30-13
Total of annual lease payments		<u>\$ 741,808</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Revenue bonds	Economic Dev Income Tax Refunding Bond of 2011/ pay off the Revenue bond anticipation note of 2008	<u>\$ 2,700,000</u>	<u>\$ 259,100</u>
Wastewater:			
Revenue bonds	Wastewater Refunding Bonds 2011/refinanced wastewater utility building 2001 bonds/received lower interest rate	1,175,000	128,825
Revenue bonds	Sewage Works Revenue Bonds 2005/construction for sewer separation	3,150,000	285,264
Revenue bonds	Sewage Works Revenue Bonds 2006/construction for sewer separation	<u>6,375,000</u>	<u>541,710</u>
Total Wastewater		<u>10,700,000</u>	<u>955,799</u>
Water:			
Revenue bonds	Water 2011 Bonds/construction of water lines	3,530,000	262,868
Revenue bonds	Water Refunding Bonds 2012/refinanced 2002 bonds/lower rate	<u>2,645,000</u>	<u>213,175</u>
Total Water		<u>6,175,000</u>	<u>476,043</u>
Totals		<u>\$ 19,575,000</u>	<u>\$ 1,690,942</u>

CITY OF NEW HAVEN
SCHEDULE OF CAPITAL ASSETS
December 31, 2012

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

	Ending Balance
Governmental activities:	
Land	\$ 1,261,175
Infrastructure	14,369,923
Buildings	5,741,372
Improvements other than buildings	3,403,093
Machinery, equipment, and vehicles	6,457,391
Construction in progress	9,584,081
Total governmental activities	40,817,035
Storm Water:	
Improvements other than buildings	2,137,645
Machinery, equipment, and vehicles	655,212
Construction in progress	567,276
Total Storm Water	3,360,133
Wastewater:	
Land	251,700
Buildings	1,924,425
Improvements other than buildings	22,628,911
Machinery, equipment, and vehicles	937,794
Construction in progress	104,663
Total Wastewater	25,847,493
Water:	
Land	11,000
Buildings	64,667
Improvements other than buildings	12,731,551
Machinery, equipment, and vehicles	262,565
Construction in progress	1,441,928
Total Water	14,511,711
Total capital assets	\$ 84,536,372

CITY OF NEW HAVEN
EXAMINATION RESULT AND COMMENT

EMS - CONDITION OF RECORDS (RECORDS INCOMPLETE)

Financial records presented for examination were incomplete and not reflective of the activity of the EMS accounts receivable function and the related revenues, contractual allowance, and bad debts reports. The records presented did not provide sufficient information to examine or establish accounts receivable balances or the accuracy or correctness of the related transactions. Some of the deficiencies are noted below.

As reported in previous reports, most recently B41160, 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, 2012, per the accounts receivable control was not supported by a detailed listing as follows:

Accounts Receivable Overall Summary Report (Control) - \$1,234,743.81
Billings and Accounts Receivable Reconciliation Report (Detail) - Printout Not Available for Audit
Billings Receivable Report (Detail) - Printout Not Available for Audit
Open Accounts Receivable Report (Detail) - Printout Not Available for Audit

The year-to-date Transaction Reports (revenues, cash payments, contractual allowances, and bad debt expenses) actually included five years of information (2008 to 2012) 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. These issues need to be discussed with your system's software support.

There were several Accounts Receivable reports and Detailed Accounts Receivable reports which were not run cumulative through December 31, 2012. They were not able to be run correctly upon our current request since there were not saved at the end of the year 2012. Reports ran currently contained 2013 transactions.

The Snow and Sauerteig Collection Agency printout dated September 5, 2013, 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.

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)

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

CITY OF NEW HAVEN
EXIT CONFERENCE

The contents of this report were discussed on November 18, 2013, with Brenda Adams, Clerk-Treasurer, and Terry McDonald, Mayor. The officials concurred with our finding.