

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF FORT WAYNE

ALLEN COUNTY, INDIANA

January 1, 2015 to December 31, 2015



**FILED**  
09/15/2016



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Controller	Patricia Roller	01-01-15 to 12-31-15
	Len Poehler	01-01-16 to 12-31-16
Mayor	Thomas Henry	01-01-12 to 12-31-19
Director of City Utilities	Kumar Menon	01-01-15 to 12-31-16
Director of Public Safety	Russell York	01-01-15 to 12-31-16
President of the Common Council	John Crawford	01-01-15 to 12-31-15
	Russ Jehl	01-01-16 to 12-31-16



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TO: THE OFFICIALS OF THE CITY OF FORT WAYNE, ALLEN COUNTY, INDIANA

This report is supplemental to our audit report of the City of Fort Wayne (City), for the period from January 1, 2015 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the City. It should be read in conjunction with our Financial Statements and Federal Single Audit Report of the City, which provides our opinions on the City's financial statements and federal program compliance. These reports may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Result and Comment contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Audit Result and Comment, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

August 2, 2016

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CITY CONTROLLER  
CITY OF FORT WAYNE

CITY CONTROLLER  
CITY OF FORT WAYNE  
AUDIT RESULT AND COMMENT

**NEGATIVE FUND BALANCES/NET POSITION**

The following funds had a negative fund balance or net position at December 31, 2015:

Fund	
Public Safety Academy (Non-Major Debt Service)	\$ 1,428,698
Omnibus Crime (Non-Major Special Revenue)	745
Emergency Shelter Grant (Non-Major Special Revenue)	87,354
Parking Fund (Non-Major Special Revenue)	27,508

A similar comment appeared in prior Report B45569.

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)



# CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

Mr. Paul D. Joyce, CPA  
State Examiner  
State Board of Accounts  
302 W. Washington St., Room E418  
Indianapolis, IN 46204-2765

August 15, 2016

## NEGATIVE FUND BALANCES/NET POSITION

The City is in agreement that the following funds have negative fund balances or net position due to the following reasons:

The Public Safety Academy Fund, which is used to track the Southtown Project in its entirety, has a negative fund balance due to revenues not being received for land sales as expected. The City will make every attempt to ensure a positive fund balance in 2016.

The Omnibus Crime Fund has a negative fund balance due to a receivable not being booked at the end of the year. The City will make every attempt to ensure a positive fund balance in 2016.

The Emergency Shelter Grant has a negative fund balance due to a receivable not being booked at the end of the year. The City will make every attempt to ensure a positive fund balance in 2016.

The Parking Fund has a negative fund balance due to an increase to the City by the owner of the parking garage vendor that was not passed on to the employee. The City will make every attempt to ensure a positive fund balance in 2016.

Sincerely,

Len Poehler  
City Controller

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EXIT CONFERENCE

The contents of this report were discussed on August 2, 2016, with Len Poehler, Controller; Valerie Ahr, Deputy Controller; Kathleen Smith, Deputy Director of Financial Operations; Tracy Neumeier, Director of Internal Audit; and C.J. Steigmeyer, Internal Audit Committee Chairman.