

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF CROWN POINT
LAKE 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>
Clerk-Treasurer	Patti Olson Kristie L. Dressel	01-01-12 to 12-31-15 01-01-16 to 12-31-19
Mayor	David D.F. Uran	01-01-12 to 12-31-19
President of the Board of Public Works and Safety	David D.F. Uran	01-01-15 to 12-31-16
President Pro Tempore of the Common Council	Robert Clemons Laura Sauerman	01-01-15 to 12-31-15 01-01-16 to 12-31-16



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF CROWN POINT, LAKE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Crown Point (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (Indiana Code 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, 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 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 the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance 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, 2015.

Opinion on Regulatory Basis of Accounting

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, 2015, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement taken as a whole.


Other Information

Our audit 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 auditing procedures applied by us in the audit of the financial statement and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 7, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

July 7, 2016



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE CITY OF CROWN POINT, LAKE COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Crown Point (City), which comprises the financial position and results of operations for the year ended December 31, 2015, and the related notes to the financial statement, and have issued our report thereon dated July 7, 2016, wherein we noted the City followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2015-001, that we consider to be a material weakness.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters

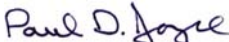
As part of obtaining reasonable assurance about whether the City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Crown Point's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

July 7, 2016

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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 CROWN POINT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
GENERAL FUND	\$ 1,829,080	\$ 17,503,892	\$ 18,012,002	\$ 1,320,970
MOTOR VEHICLE HIGHWAY	673,332	2,517,337	2,494,996	695,673
LOCAL ROAD & STREET	46,089	264,272	256,150	54,211
NON REV. PARK FUND	81,765	386,827	384,203	84,389
LOCAL LAW ENF. CONT. EDUC	27,185	23,319	22,893	27,611
DEFERRAL PROGRAM FUND	58,512	46,775	88,102	17,185
RIVERBOAT ADM. TAX FUND	491,902	282,440	547,599	226,743
USER FEE FUND	-	48,517	48,517	-
CEDIT-CTY ECON DEV TAX	278,946	693,048	313,330	658,664
ESCROW-EXCESS LEVY FD	-	1,091	-	1,091
MAJOR MOVES CONST. FUND	2,863	-	-	2,863
PUB.SAFETY-EXCESS WELFARE	30,222	-	30,049	173
CREDIT CARD FEES	25	-	-	25
CUMULATIVE CAPITAL DEV.	331,646	576,875	650,454	258,067
CP REDEV BOND CAPITAL FD	12,978	232,425	237,845	7,558
CUM. CAP II (RATE-EMS)	77,110	26,082	8,225	94,967
CUMULATIVE FIRE	126,529	58,301	2,353	182,477
GENERAL IMPROVEMENT FD.	10,003	10,813	11,840	8,976
CUMULATIVE CAPITAL IMP.	60,478	31,783	75,261	17,000
POLICE PENSION	626,048	452,278	484,336	593,990
FIRE PENSION	165,001	59,027	64,471	159,557
CAGIT/LOIT PUBLIC SAFETY	444,258	744,716	485,664	703,310
CUMULATIVE SEWER	256,155	-	148,420	107,735
PUBLIC WORKS DONATION FD	2,400	-	1,359	1,041
NON-REV BUILDER TEST FEES	46,094	25,100	6,899	64,295
NON-REV ECONOMIC DEV.	29,355	4,700	-	34,055
CP REDEV DEBT SERV RES	333,631	252,968	-	586,599
ST ANTHONY TIF BOND FUND	394,542	50,407	-	444,949
LEASE RENTALES BLDING.	8,743	-	8,743	-
TOURISM FUND	5,406	8,550	9,230	4,726
COURT SUPPLEMENTAL CTAR-1	117,698	515,892	514,239	119,351
GO BOND DEBT SERVICE	5,308	250,877	256,185	-
C.P. REDEVELOPMENT FUND	2,735,235	1,126,647	3,628,581	233,301
FIREFIGHTER'S GRANT FUND	3,885	19,004	22,064	825
RECYCLING & SOLID WASTE	221,003	200,416	221,733	199,686
G.O. BOND PROCEEDS FUND	49,645	500,000	390,233	159,412
SPORTSPLEX DEV & CONSTR	603,756	3,612,809	3,022,127	1,194,438
PYWH-PERF	15	-	-	15
SAUERMAN WOODS RES. DONA.	1,250	-	-	1,250
PYWH-SPECIAL INSURANCE	95	-	-	95
MISC. REFUNDS ESCROW	1,268	24,948	25,547	669
PYWH-FIRE PENSION II	299	-	-	299
HIGH MEADOWS ESCROW FUND	10,398	-	1,881	8,517
NON-REV. SPEC. EVENTS FD.	12,298	26,286	30,330	8,254
STATE INCOME TAX	42,319	526,901	526,669	42,551
POL. PEN- IND. GROSS	1,825	23,774	23,651	1,948
SENIOR DISC (HIDTA) FUND	118,392	100,000	97,957	120,435
DON- C.P. BEAUTIFICATION	-	855	-	855
FIRE PEN- IND. GROSS	234	3,159	3,130	263
PYWH-POLICE PENSION II	363	-	-	363
ADULT PROBATION SERV. FD.	6,314	30,233	15,680	20,867
DOG SUPPLY/MAINT DONATION	22,255	10,187	17,234	15,208
ESCROW-EDC	1,489	-	-	1,489
PYWH-COL. LIFE & ACCIDENT	349	255	255	349
GREENVIEW RECOVERY AGREE.	9,600	-	-	9,600

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

CITY OF CROWN POINT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2015
(Continued)

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15
NON-REV RENTAL HOUSING	53,925	269	18,846	35,348
CEMETERY NON-REV. FUND	36,410	28,075	12,000	52,485
PYWH-MUNICIPAL INS.	413	199	179	433
PARKS/PLAYGROUNDS ESCROW	42,800	-	-	42,800
MISC. SALES TAX	174	16,937	16,495	616
COUNTY COURT COSTS ESC.	911	22,310	21,108	2,113
PRINC & INTEREST-TIF BOND	320,656	596,662	320,570	596,748
NON-REV VEH/EQUIP PURCH	156,849	145,557	39,201	263,205
COURT RECORD PERPETUATION	30,036	4,028	253	33,811
PREPAID LEGAL ESCROW	139	933	933	139
NON REV. PARK GIFT FUND	3,329	965	501	3,793
DARE FUND DONATIONS	23,637	30,015	28,160	25,492
FIRE DEPT. DONATIONS	12,606	49,825	44,936	17,495
NON REV. POLICE FED SEIZ.	52,889	82,795	34,769	100,915
NON-REV SPRTSPLX LEASE	-	22,400	-	22,400
MAYOR'S ROUNDTABLE ESCROW	1	-	-	1
POLICE DONATIONS ESCROW	34,206	17,614	14,842	36,978
NON REV. HAZ MATERIALS	4,902	-	-	4,902
TANK IMP. ESCROW	144	-	-	144
PYWH-VISION INS.	1,792	8,020	8,757	1,055
PYWH-AFLAC	12,782	82,854	83,475	12,161
PYWH-AMER. BANKERS INS.	158	-	-	158
UNUM/CIGNA VOL INS ESCROW	1,556	17,419	17,452	1,523
EMP/RETIREE NON-REV INS.	493,115	4,158,791	4,496,267	155,639
CIVIL DEFENSE DONATIONS	12,939	4,500	3,628	13,811
L.C.DRUG FREE ALLIANCE GR	-	6,586	6,586	-
4TH FRIDAY ARTS GRANT	1	-	-	1
LAKE CO. HIDTA PROGRAM	231	3,805,601	3,805,603	229
ESCROW - PERPET.BLDG.IMP.FD	86,225	382,184	370,179	98,230
GRANT - L.C.DRUNK DRIV.TASK	186	-	-	186
HOMESTEAD RESTOR. DON.	100	-	-	100
CASH- STORMWATER O&M	438,155	907,085	838,485	506,755
CASH- STORMWATER DEBT SER	-	237,660	237,660	-
CASH- WASTEWATER O&M FUND	600,000	6,865,163	6,515,163	950,000
CASH- WW IMPROVMT OTHER	2,904,950	672,538	1,179,958	2,397,530
WASTEWATER SRF 2013 TRUST	-	1,688	1,688	-
WASTEWATER SRF 2015 TRUST	-	1,610,342	1,610,342	-
CASH ON HAND-WW PETTY	800	-	-	800
CASH-WW B&I SINKING FUND	14,335	741,510	691,324	64,521
CASH-WW IMPROVE REPLACE	352	-	-	352
CASH-WW DEBT SERV RES	806,735	40,600	-	847,335
CASH WW UTIL CONSTR ACCT	85,333	-	-	85,333
CASH-WATER O&M FUND	950,000	8,095,153	8,095,153	950,000
CASH-WATER HYDRANT DEP	8,000	3,050	1,500	9,550
CASH-WTR DEPR/IMPR FUND	10,089,716	5,112,084	4,526,337	10,675,463
CASH WW UTL CONSTR ACCT	5,776	-	-	5,776
CASH ON HAND-WATER PETTY	600	-	-	600
CASH-WATER B&I SINKING	292,835	1,061,760	914,638	439,957
CASH-WATER DEBT SERV RES	628,581	-	-	628,581
CASH-WTR NEW CONS DEP	16,364	750	675	16,439
CASH-2014 BOND PROCEEDS	995,217	-	730,066	265,151
Totals	<u>\$ 29,636,452</u>	<u>\$ 66,107,708</u>	<u>\$ 67,878,166</u>	<u>\$ 27,865,994</u>

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

CITY OF CROWN POINT
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, storm water, trash, 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

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 include the following sources:

Taxes, which can include one or more of the following: property tax, 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 the following: peddler licenses, dog tax licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts, which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types of receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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 including, but 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 include the following uses:

Personal services, which 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, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

Debt service - principal and interest, which includes 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 includes 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 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

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

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 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 a cost-sharing 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.

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

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
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

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. 1937 Firefighters' Pension Plan

Plan Description

The 1937 Firefighters' 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 36-8-7). 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 1937 Firefighters' Pension Plan are established by state statute.

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

D. 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
One North Capitol, 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.

Note 7. Other Postemployment Benefits

The City provides medical benefits to eligible retirees and their spouses. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

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OTHER INFORMATION - UNAUDITED

The City's Annual Financial 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 Financial 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 audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	GENERAL FUND	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	NON REV. PARK FUND	LOCAL LAW ENF. CONT. EDUC	DEFERRAL PROGRAM FUND	RIVERBOAT ADM. TAX FUND
Cash and investments - beginning	\$ 1,829,080	\$ 673,332	\$ 46,089	\$ 81,765	\$ 27,185	\$ 58,512	\$ 491,902
Receipts:							
Taxes	7,676,709	1,423,668	-	-	-	-	-
Licenses and permits	912,878	-	-	-	14,690	-	-
Intergovernmental receipts	652,692	996,507	264,272	-	-	-	282,440
Charges for services	3,240,221	6,725	-	386,827	6,789	-	-
Fines and forfeits	101,515	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	4,919,877	90,437	-	-	1,840	46,775	-
Total receipts	<u>17,503,892</u>	<u>2,517,337</u>	<u>264,272</u>	<u>386,827</u>	<u>23,319</u>	<u>46,775</u>	<u>282,440</u>
Disbursements:							
Personal services	9,253,550	1,427,907	-	126,068	-	81,122	-
Supplies	352,806	389,153	-	109,606	10,244	2,335	-
Other services and charges	3,452,196	507,285	256,150	143,124	12,649	1,551	547,599
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	445,788	170,611	-	-	-	3,094	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	4,507,662	40	-	5,405	-	-	-
Total disbursements	<u>18,012,002</u>	<u>2,494,996</u>	<u>256,150</u>	<u>384,203</u>	<u>22,893</u>	<u>88,102</u>	<u>547,599</u>
Excess (deficiency) of receipts over disbursements	<u>(508,110)</u>	<u>22,341</u>	<u>8,122</u>	<u>2,624</u>	<u>426</u>	<u>(41,327)</u>	<u>(265,159)</u>
Cash and investments - ending	<u>\$ 1,320,970</u>	<u>\$ 695,673</u>	<u>\$ 54,211</u>	<u>\$ 84,389</u>	<u>\$ 27,611</u>	<u>\$ 17,185</u>	<u>\$ 226,743</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	USER FEE FUND	CEDIT-CTY ECON DEV TAX	ESCROW-EXCESS LEVY FD	MAJOR MOVES CONST. FUND	PUB.SAFETY-EXCESS WELFARE	CREDIT CARD FEES	CUMULATIVE CAPITAL DEV.
Cash and investments - beginning	\$ -	\$ 278,946	\$ -	\$ 2,863	\$ 30,222	\$ 25	\$ 331,646
Receipts:							
Taxes	-	-	1,091	-	-	-	571,587
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	693,048	-	-	-	-	5,288
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	48,517	-	-	-	-	-	-
Total receipts	48,517	693,048	1,091	-	-	-	576,875
Disbursements:							
Personal services	-	-	-	-	-	-	318,820
Supplies	-	-	-	-	-	-	-
Other services and charges	-	288,430	-	-	-	-	331,634
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	24,900	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	48,517	-	-	-	30,049	-	-
Total disbursements	48,517	313,330	-	-	30,049	-	650,454
Excess (deficiency) of receipts over disbursements	-	379,718	1,091	-	(30,049)	-	(73,579)
Cash and investments - ending	\$ -	\$ 658,664	\$ 1,091	\$ 2,863	\$ 173	\$ 25	\$ 258,067

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CP REDEV BOND CAPITAL FD	CUM. CAP II (RATE-EMS)	CUMULATIVE FIRE	GENERAL IMPROVEMENT FD.	CUMULATIVE CAPITAL IMP.	POLICE PENSION	FIRE PENSION
Cash and investments - beginning	\$ 12,978	\$ 77,110	\$ 126,529	\$ 10,003	\$ 60,478	\$ 626,048	\$ 165,001
Receipts:							
Taxes	-	25,843	55,373	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	239	2,928	-	31,783	452,278	59,027
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	232,425	-	-	10,813	-	-	-
Total receipts	<u>232,425</u>	<u>26,082</u>	<u>58,301</u>	<u>10,813</u>	<u>31,783</u>	<u>452,278</u>	<u>59,027</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	237,845	-	-	-	75,261	484,336	64,471
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	8,225	2,353	11,840	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>237,845</u>	<u>8,225</u>	<u>2,353</u>	<u>11,840</u>	<u>75,261</u>	<u>484,336</u>	<u>64,471</u>
Excess (deficiency) of receipts over disbursements	<u>(5,420)</u>	<u>17,857</u>	<u>55,948</u>	<u>(1,027)</u>	<u>(43,478)</u>	<u>(32,058)</u>	<u>(5,444)</u>
Cash and investments - ending	<u>\$ 7,558</u>	<u>\$ 94,967</u>	<u>\$ 182,477</u>	<u>\$ 8,976</u>	<u>\$ 17,000</u>	<u>\$ 593,990</u>	<u>\$ 159,557</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CAGIT/LOIT PUBLIC SAFETY	CUMULATIVE SEWER	PUBLIC WORKS DONATION FD	NON-REV BUILDER TEST FEES	NON-REV ECONOMIC DEV.	CP REDEV DEBT SERV RES	ST ANTHONY TIF BOND FUND
Cash and investments - beginning	\$ 444,258	\$ 256,155	\$ 2,400	\$ 46,094	\$ 29,355	\$ 333,631	\$ 394,542
Receipts:							
Taxes	-	-	-	-	-	-	50,407
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	744,353	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	363	-	-	25,100	4,700	252,968	-
Total receipts	744,716	-	-	25,100	4,700	252,968	50,407
Disbursements:							
Personal services	339,007	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	148,420	1,359	6,899	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	146,657	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	485,664	148,420	1,359	6,899	-	-	-
Excess (deficiency) of receipts over disbursements	259,052	(148,420)	(1,359)	18,201	4,700	252,968	50,407
Cash and investments - ending	\$ 703,310	\$ 107,735	\$ 1,041	\$ 64,295	\$ 34,055	\$ 586,599	\$ 444,949

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	LEASE RENTALES BLDING.	TOURISM FUND	COURT SUPPLEMENTAL CTAR-1	GO BOND DEBT SERVICE	C.P. REDEVELOPMENT FUND	FIREFIGHTER'S GRANT FUND	RECYCLING & SOLID WASTE
Cash and investments - beginning	\$ 8,743	\$ 5,406	\$ 117,698	\$ 5,308	\$ 2,735,235	\$ 3,885	\$ 221,003
Receipts:							
Taxes	-	4,725	-	248,599	902,580	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	2,278	-	19,004	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	3,825	515,892	-	224,067	-	200,416
Total receipts	<u>-</u>	<u>8,550</u>	<u>515,892</u>	<u>250,877</u>	<u>1,126,647</u>	<u>19,004</u>	<u>200,416</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	8,743	9,230	-	256,185	2,971,931	-	221,733
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	59,989	22,064	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	514,239	-	596,661	-	-
Total disbursements	<u>8,743</u>	<u>9,230</u>	<u>514,239</u>	<u>256,185</u>	<u>3,628,581</u>	<u>22,064</u>	<u>221,733</u>
Excess (deficiency) of receipts over disbursements	<u>(8,743)</u>	<u>(680)</u>	<u>1,653</u>	<u>(5,308)</u>	<u>(2,501,934)</u>	<u>(3,060)</u>	<u>(21,317)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 4,726</u>	<u>\$ 119,351</u>	<u>\$ -</u>	<u>\$ 233,301</u>	<u>\$ 825</u>	<u>\$ 199,686</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	G.O. BOND PROCEEDS FUND	SPORTSPLEX DEV & CONSTR	PYWH-PERF	SAUERMAN WOODS RES. DONA.	PYWH-SPECIAL INSURANCE	MISC. REFUNDS ESCROW
Cash and investments - beginning	\$ 49,645	\$ 603,756	\$ 15	\$ 1,250	\$ 95	\$ 1,268
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	500,000	3,612,809	-	-	-	24,948
Total receipts	500,000	3,612,809	-	-	-	24,948
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	390,233	3,022,127	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	25,547
Total disbursements	390,233	3,022,127	-	-	-	25,547
Excess (deficiency) of receipts over disbursements	109,767	590,682	-	-	-	(599)
Cash and investments - ending	\$ 159,412	\$ 1,194,438	\$ 15	\$ 1,250	\$ 95	\$ 669

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	PYWH-FIRE PENSION II	HIGH MEADOWS ESCROW FUND	NON-REV. SPEC. EVENTS FD.	STATE INCOME TAX	POL. PEN- IND. GROSS	SENIOR DISC (HIDTA) FUND
Cash and investments - beginning	\$ 299	\$ 10,398	\$ 12,298	\$ 42,319	\$ 1,825	\$ 118,392
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	26,286	-	-	100,000
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	-	526,901	23,774	-
Total receipts	-	-	26,286	526,901	23,774	100,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	1,881	30,330	526,669	23,651	97,957
Total disbursements	-	1,881	30,330	526,669	23,651	97,957
Excess (deficiency) of receipts over disbursements	-	(1,881)	(4,044)	232	123	2,043
Cash and investments - ending	<u>\$ 299</u>	<u>\$ 8,517</u>	<u>\$ 8,254</u>	<u>\$ 42,551</u>	<u>\$ 1,948</u>	<u>\$ 120,435</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	DON- C.P. BEAUTIFICATION	FIRE PEN- IND. GROSS	PYWH-POLICE PENSION II	ADULT PROBATION SERV. FD.	DOG SUPPLY/MAINT DONATION	ESCROW-EDC
Cash and investments - beginning	\$ -	\$ 234	\$ 363	\$ 6,314	\$ 22,255	\$ 1,489
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	855	3,159	-	30,233	10,187	-
Total receipts	<u>855</u>	<u>3,159</u>	<u>-</u>	<u>30,233</u>	<u>10,187</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	14,434	-	-
Supplies	-	-	-	46	-	-
Other services and charges	-	3,130	-	1,200	17,234	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>-</u>	<u>3,130</u>	<u>-</u>	<u>15,680</u>	<u>17,234</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>855</u>	<u>29</u>	<u>-</u>	<u>14,553</u>	<u>(7,047)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 855</u>	<u>\$ 263</u>	<u>\$ 363</u>	<u>\$ 20,867</u>	<u>\$ 15,208</u>	<u>\$ 1,489</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	PYWH-COL. LIFE & ACCIDENT	GREENVIEW RECOVERY AGREE.	NON-REV RENTAL HOUSING	CEMETERY NON-REV. FUND	PYWH-MUNICIPAL INS.	PARKS/PLAYGROUNDS ESCROW
Cash and investments - beginning	\$ 349	\$ 9,600	\$ 53,925	\$ 36,410	\$ 413	\$ 42,800
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	28,075	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	255	-	269	-	199	-
Total receipts	<u>255</u>	<u>-</u>	<u>269</u>	<u>28,075</u>	<u>199</u>	<u>-</u>
Disbursements:						
Personal services	-	-	14,686	-	-	-
Supplies	-	-	4,157	-	-	-
Other services and charges	-	-	3	12,000	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	255	-	-	-	179	-
Total disbursements	<u>255</u>	<u>-</u>	<u>18,846</u>	<u>12,000</u>	<u>179</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>(18,577)</u>	<u>16,075</u>	<u>20</u>	<u>-</u>
Cash and investments - ending	<u>\$ 349</u>	<u>\$ 9,600</u>	<u>\$ 35,348</u>	<u>\$ 52,485</u>	<u>\$ 433</u>	<u>\$ 42,800</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	MISC. SALES TAX	COUNTY COURT COSTS ESC.	PRINC & INTEREST-TIF BOND	NON-REV VEH/EQUIP PURCH	COURT RECORD PERPETUATION	PREPAID LEGAL ESCROW
Cash and investments - beginning	\$ 174	\$ 911	\$ 320,656	\$ 156,849	\$ 30,036	\$ 139
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	22,310	-	-	4,028	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	16,937	-	596,662	145,557	-	933
Total receipts	16,937	22,310	596,662	145,557	4,028	933
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	253	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	320,570	-	-	-
Capital outlay	-	-	-	39,201	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	16,495	21,108	-	-	-	933
Total disbursements	16,495	21,108	320,570	39,201	253	933
Excess (deficiency) of receipts over disbursements	442	1,202	276,092	106,356	3,775	-
Cash and investments - ending	\$ 616	\$ 2,113	\$ 596,748	\$ 263,205	\$ 33,811	\$ 139

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	NON REV. PARK GIFT FUND	DARE FUND DONATIONS	FIRE DEPT. DONATIONS	NON REV. POLICE FED SEIZ.	NON-REV SPRTSPLX LEASE	MAYOR'S ROUNDTABLE ESCROW
Cash and investments - beginning	\$ 3,329	\$ 23,637	\$ 12,606	\$ 52,889	\$ -	\$ 1
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	82,795	22,400	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	965	30,015	49,825	-	-	-
Total receipts	<u>965</u>	<u>30,015</u>	<u>49,825</u>	<u>82,795</u>	<u>22,400</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	501	28,160	44,936	34,769	-	-
Total disbursements	<u>501</u>	<u>28,160</u>	<u>44,936</u>	<u>34,769</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>464</u>	<u>1,855</u>	<u>4,889</u>	<u>48,026</u>	<u>22,400</u>	<u>-</u>
Cash and investments - ending	<u>\$ 3,793</u>	<u>\$ 25,492</u>	<u>\$ 17,495</u>	<u>\$ 100,915</u>	<u>\$ 22,400</u>	<u>\$ 1</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	POLICE DONATIONS ESCROW	NON REV. HAZ MATERIALS	TANK IMP. ESCROW	PYWH-VISION INS.	PYWH-AFLAC	PYWH-AMER. BANKERS INS.
Cash and investments - beginning	\$ 34,206	\$ 4,902	\$ 144	\$ 1,792	\$ 12,782	\$ 158
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	17,614	-	-	8,020	82,854	-
Total receipts	<u>17,614</u>	<u>-</u>	<u>-</u>	<u>8,020</u>	<u>82,854</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	14,842	-	-	8,757	83,475	-
Total disbursements	<u>14,842</u>	<u>-</u>	<u>-</u>	<u>8,757</u>	<u>83,475</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>2,772</u>	<u>-</u>	<u>-</u>	<u>(737)</u>	<u>(621)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 36,978</u>	<u>\$ 4,902</u>	<u>\$ 144</u>	<u>\$ 1,055</u>	<u>\$ 12,161</u>	<u>\$ 158</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	UNUM/CIGNA VOL INS ESCROW	EMP/RETIREE NON-REV INS.	CIVIL DEFENSE DONATIONS	L.C.DRUG FREE ALLIANCE GR	4TH FRIDAY ARTS GRANT	LAKE CO. HIDTA PROGRAM
Cash and investments - beginning	\$ 1,556	\$ 493,115	\$ 12,939	\$ -	\$ 1	\$ 231
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	17,419	4,158,791	4,500	6,586	-	3,805,601
Total receipts	<u>17,419</u>	<u>4,158,791</u>	<u>4,500</u>	<u>6,586</u>	<u>-</u>	<u>3,805,601</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	17,452	4,496,267	3,628	6,586	-	3,805,603
Total disbursements	<u>17,452</u>	<u>4,496,267</u>	<u>3,628</u>	<u>6,586</u>	<u>-</u>	<u>3,805,603</u>
Excess (deficiency) of receipts over disbursements	<u>(33)</u>	<u>(337,476)</u>	<u>872</u>	<u>-</u>	<u>-</u>	<u>(2)</u>
Cash and investments - ending	<u>\$ 1,523</u>	<u>\$ 155,639</u>	<u>\$ 13,811</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 229</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	ESCROW - PERPET.BLDG.IMP.FD	GRANT - L.C.DRUNK DRIV.TASK	HOMESTEAD RESTOR. DON.	CASH- STORMWATER O&M	CASH- STORMWATER DEBT SER	CASH- WASTEWATER O&M FUND
Cash and investments - beginning	\$ 86,225	\$ 186	\$ 100	\$ 438,155	\$ -	\$ 600,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	893,601	-	5,979,117
Penalties	-	-	-	13,484	-	85,774
Other receipts	382,184	-	-	-	237,660	800,272
Total receipts	382,184	-	-	907,085	237,660	6,865,163
Disbursements:						
Personal services	-	-	-	296,349	-	1,706,373
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	55,242	-	420,534
Debt service - principal and interest	-	-	-	-	237,660	-
Capital outlay	-	-	-	29,308	-	-
Utility operating expenses	-	-	-	219,926	-	2,848,628
Other disbursements	370,179	-	-	237,660	-	1,539,628
Total disbursements	370,179	-	-	838,485	237,660	6,515,163
Excess (deficiency) of receipts over disbursements	12,005	-	-	68,600	-	350,000
Cash and investments - ending	\$ 98,230	\$ 186	\$ 100	\$ 506,755	\$ -	\$ 950,000

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CASH- WW IMPROVEMT OTHER	WASTEWATER SRF 2013 TRUST	WASTEWATER SRF 2015 TRUST	CASH ON HAND-WW PETTY	CASH-WW B&I SINKING FUND	CASH-WW IMPROVE REPLACE
Cash and investments - beginning	\$ 2,904,950	\$ -	\$ -	\$ 800	\$ 14,335	\$ 352
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	672,538	1,688	1,610,342	-	741,510	-
Total receipts	672,538	1,688	1,610,342	-	741,510	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	691,324	-
Capital outlay	379,785	1,688	1,610,342	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	800,173	-	-	-	-	-
Total disbursements	1,179,958	1,688	1,610,342	-	691,324	-
Excess (deficiency) of receipts over disbursements	(507,420)	-	-	-	50,186	-
Cash and investments - ending	\$ 2,397,530	\$ -	\$ -	\$ 800	\$ 64,521	\$ 352

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CASH-WW DEBT SERV RES	CASH WW UTIL CONSTR ACCT	CASH-WATER O&M FUND	CASH-WATER HYDRANT DEP	CASH-WTR DEPR/IMPR FUND	CASH WW UTIL CONSTR ACCT
Cash and investments - beginning	\$ 806,735	\$ 85,333	\$ 950,000	\$ 8,000	\$ 10,089,716	\$ 5,776
Receipts:						
Taxes	-	-	428,200	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	7,601,610	-	-	-
Penalties	-	-	42,251	-	-	-
Other receipts	40,600	-	23,092	3,050	5,112,084	-
Total receipts	<u>40,600</u>	<u>-</u>	<u>8,095,153</u>	<u>3,050</u>	<u>5,112,084</u>	<u>-</u>
Disbursements:						
Personal services	-	-	1,484,437	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	424,771	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	95,811	-	-	-
Utility operating expenses	-	-	4,417,713	-	-	-
Other disbursements	-	-	1,672,421	1,500	4,526,337	-
Total disbursements	<u>-</u>	<u>-</u>	<u>8,095,153</u>	<u>1,500</u>	<u>4,526,337</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>40,600</u>	<u>-</u>	<u>-</u>	<u>1,550</u>	<u>585,747</u>	<u>-</u>
Cash and investments - ending	<u>\$ 847,335</u>	<u>\$ 85,333</u>	<u>\$ 950,000</u>	<u>\$ 9,550</u>	<u>\$ 10,675,463</u>	<u>\$ 5,776</u>

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015
 (Continued)

	CASH ON HAND-WATER PETTY	CASH-WATER B&I SINKING	CASH-WATER DEBT SERV RES	CASH-WTR NEW CONS DEP	CASH-2014 BOND PROCEEDS	Totals
Cash and investments - beginning	\$ 600	\$ 292,835	\$ 628,581	\$ 16,364	\$ 995,217	\$ 29,636,452
Receipts:						
Taxes	-	-	-	-	-	11,388,782
Licenses and permits	-	-	-	-	-	927,568
Intergovernmental receipts	-	-	-	-	-	4,206,137
Charges for services	-	-	-	-	-	3,900,118
Fines and forfeits	-	-	-	-	-	127,853
Utility fees	-	-	-	-	-	14,474,328
Penalties	-	-	-	-	-	141,509
Other receipts	-	1,061,760	-	750	-	30,941,413
Total receipts	-	1,061,760	-	750	-	66,107,708
Disbursements:						
Personal services	-	-	-	-	-	15,062,753
Supplies	-	-	-	-	-	868,600
Other services and charges	-	-	-	-	-	14,373,505
Debt service - principal and interest	-	914,638	-	-	-	2,164,192
Capital outlay	-	-	-	-	730,066	3,781,722
Utility operating expenses	-	-	-	-	-	7,486,267
Other disbursements	-	-	-	675	-	24,141,127
Total disbursements	-	914,638	-	675	730,066	67,878,166
Excess (deficiency) of receipts over disbursements	-	147,122	-	75	(730,066)	(1,770,458)
Cash and investments - ending	\$ 600	\$ 439,957	\$ 628,581	\$ 16,439	\$ 265,151	\$ 27,865,994

CITY OF CROWN POINT
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2015

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Storm Water	\$ 7,256	\$ 101,589
Wastewater	236,038	496,250
Water	386,496	648,561
Governmental activities	<u>151,978</u>	<u>1,168,987</u>
Totals	<u>\$ 781,768</u>	<u>\$ 2,415,387</u>

CITY OF CROWN POINT
SCHEDULE OF LEASES AND DEBT
December 31, 2015

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities: JP Morgan Chase Bank	Fire Truck Lease	<u>\$ 54,010</u>	9/24/2015	3/24/2028

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	2010 G.O Bond-Building and Land Improvements	\$ 1,020,000	\$ 261,095
General obligation bonds	2008 Gen Obligation Bond-Road Improvements	1,090,000	169,311
Revenue bonds	2007 TIF Redevelopment Bond-Property Purchase	2,150,000	320,558
Revenue bonds	2015 TIF Redevelopment Bond	5,000,000	276,104
Revenue bonds	2014 Redevelopment Bond-Mainstreet Project	<u>1,670,000</u>	<u>167,000</u>
Total governmental activities		<u>10,930,000</u>	<u>1,194,068</u>
Storm Water:			
Revenue bonds	2010 Sewage Works Revenue Bond-Sewage & Stormwater Improvements	<u>2,765,000</u>	<u>244,500</u>
Wastewater:			
Revenue bonds	2006 Sewage Works Revenue Bond-Sewage Constr and Improvements	2,485,000	279,400
Lines of credit	2013 SRF Loan/Line of Credit-Wastewater & Stormwater Improvements	1,365,000	96,431
Lines of credit	2015 SRF Loan/Line of Credit - Wastewater & Stormwater Improvements	4,750,000	305,000
Lines of credit	2011 SRF Loan/Line of Credit-Wastewater & Stormwater Improvements	<u>1,580,000</u>	<u>139,187</u>
Total Wastewater		<u>10,180,000</u>	<u>820,018</u>
Water:			
Revenue bonds	2007 Waterworks Revenue Bond-Refund 1998 Bond	1,375,000	490,600
Revenue bonds	2012 Waterworks Refunding Revenue Bonds of 2012	1,466,000	204,584
Revenue bonds	2014 Waterworks Revenue Bond	<u>2,590,000</u>	<u>230,300</u>
Total Water		<u>5,431,000</u>	<u>925,484</u>
Totals		<u>\$ 29,306,000</u>	<u>\$ 3,184,070</u>

CITY OF CROWN POINT
SCHEDULE OF CAPITAL ASSETS
December 31, 2015

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	\$ 4,928,219
Infrastructure	24,455,734
Buildings	4,948,162
Improvements other than buildings	8,717,515
Machinery, equipment, and vehicles	11,884,461
Total governmental activities	54,934,091
Storm Water:	
Infrastructure	16,628
Machinery, equipment, and vehicles	6,000
Total Storm Water	22,628
Wastewater:	
Land	6,671,742
Infrastructure	31,982,585
Buildings	70,568
Improvements other than buildings	1,179,696
Machinery, equipment, and vehicles	3,563,559
Construction in progress	301,139
Total Wastewater	43,769,289
Water:	
Land	237,959
Infrastructure	18,508,882
Buildings	4,408,811
Machinery, equipment, and vehicles	1,858,894
Construction in progress	613,840
Total Water	25,628,386
Total capital assets	\$ 124,354,394

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SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF CROWN POINT, LAKE COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited the City of Crown Point's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2015.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

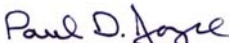
Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Paul D. Joyce, CPA
State Examiner

July 7, 2016

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the City. The schedule and notes are presented as intended by the City.

CITY OF CROWN POINT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Equitable Sharing Program Federal Seizure Police	Direct Grant	16.922	DUNS NO. 039340096	\$ -	\$ 34,769
Total - Department of Justice				-	34,769
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster Highway Planning and Construction Construction Inspection For The Construction Of The Summit St. Trailhead North St./109th St. From Indiana To Broadway Summit & Merr Rd Intersection Modernization Congestion Mitigation And Air Quality (CMAQ) E-85 Fuel	Indiana Department of Transportation	20.205	DES 1005926 DES 1172428 DES 1173708 DES 1297254	- - - -	5,685 50,885 120,000 26,163
Total - Highway Planning and Construction Cluster				-	202,733
Total - Department of Transportation				-	202,733
<u>Executive Office of the President</u>					
High Intensity Drug Trafficking Areas Program HIDTA	Direct Grant	95.001	G13LC0003A G14LC0003A G15LC0003A	- - -	359,349 2,516,062 804,299
Total - High Intensity Drug Trafficking Areas Program				-	3,679,710
Total - Executive Office of the President				-	3,679,710
<u>Department of Homeland Security</u>					
Assistance to Firefighters Grant	Direct Grant	97.044	2014-M3-C111-P4310000-4101-D	-	19,004
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Severe Winter Storm	Indiana Department of Homeland Security	97.036	PW #PA-05-IN-4173-PW-00227	-	34,819
Total - Department of Homeland Security				-	53,823
Total federal awards expended				\$ -	\$ 3,971,035

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF CROWN POINT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. *Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2015. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

Note 2. *Summary of Significant Accounting Policies*

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-133, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

CITY OF CROWN POINT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Adverse as to GAAP; Unmodified as to Regulatory Basis
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
	Highway Planning and Construction Cluster	Unmodified
95.001	High Intensity Drug Trafficking Areas Program	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?	no
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Section II - Financial Statement Findings

FINDING 2015-001 - FINANCIAL TRANSACTIONS AND REPORTING

Condition

There were several deficiencies in the internal control system of the City related to financial transactions and reporting.

1. Lack of Segregation of Duties: The City had not separated incompatible activities related to the recording of receipts in the accounting system and accounting for Utility activity for reporting purposes.

CITY OF CROWN POINT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- A. One individual recorded the receipts in the accounting system. Controls had not been implemented to verify the accuracy and allocation of the receipts recorded.
- B. The Utilities' records were maintained on the accrual basis. Several employees prepared an excel spreadsheet to compile the Utility information on the cash basis to prepare the annual report which was used to generate the financial statement. An oversight, review, or approval process had not been established to detect errors.
2. Vendor Disbursements: The Accounts Payable Vouchers (APV's) were entered into the computerized ledger and recorded in the appropriate fund. The Clerk-Treasurer's Office had a process to verify that the APV's were recorded properly; however, there was no documentation of the process.
3. Payroll: The Clerk-Treasurer's Office had a process to verify that payroll information was correctly entered in the ledger and was properly allocated to the correct fund and department; however, there was no documentation of the process.
4. Monitoring of Controls: An evaluation of the City's system of internal control had not been conducted. Effective internal controls, over financial reporting, require the City to monitor and assess the quality of the system of internal control.

Criteria

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

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)

Cause

Management of the City had not established a proper system of internal control.

Effect

The failure to establish controls could have enabled material misstatements or irregularities to remain undetected. The failure to monitor the internal control system would have placed the City at risk that controls may not have been either designed properly or operating effectively to provide reasonable assurance that controls would have prevented, or detected and corrected, material misstatements in a timely manner.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

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AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the City. The documents are presented as intended by the City.



CITY OF CROWN POINT

CLERK-TREASURER

Kristie L. Dressel
Clerk-Treasurer

SUMMARY SCHEDULE OF PRIOR AUDIT 2014 FINDINGS

FINDING 2014-001 (Auditor Assigned Reference Number)

Fiscal year in which the finding initially occurred: 2014

Contact Person Responsible for Corrective Action: Kristie L. Dressel, Clerk-Treasurer

Contact Phone Number: 219-662-3235 ext. 401

Status of Audit Finding:

Due to the timing of the audit, the corrective action plan is still being implemented.


Signature

Clerk-Treasurer
Title

July 6, 2016

www.crownpoint.in.gov

Main Floor • 101 N. East Street • Crown Point, IN 46307

Office (219) 662-3235

Fax (219) 662-3378



CITY OF CROWN POINT

David D.F. Uran
Mayor

OFFICE OF THE MAYOR

Greg Falkowski
Chief of Staff

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Findings **2014-002; 2014-003; 2014-004**

Fiscal year in which the finding initially occurred: **2014**

Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct: **US Dept. of Homeland Security**

Contact Person Responsible for Corrective Action: **David Uran**

Contact Phone Number: **(219) 662-3240**

Status of Audit Finding: **Due to the timing of the audit, the corrective action plan is still being implemented, as it would not have been possible to implement the corrective action for 2015 since the 2014 and 2015 audits were performed at the same time.**

The City of Crown Point takes great pride in its transparency and compliancy and will make every effort to ensure that the corrective actions are implemented in a timely matter.

David Uran
(Signature)

Mayor
(Title)

7/26/16
(Date)



CITY OF CROWN POINT

CLERK-TREASURER

Kristie L. Dressel
Clerk-Treasurer

CORRECTIVE ACTION PLAN

FINDING 2015-001 (Auditor Assigned Reference Number)

Contact Person Responsible for Corrective Action: Kristie L. Dressel, Clerk-Treasurer
Contact Phone Number: 219-662-3235 ext. 401

Views of Responsible Official: "We concur with the finding"

Description of Corrective Action Plan:

Lack of segregation of duties recovered.

1- a. Correction Plan – Dual control have been put into place. Example: Daily Receipts – Billing Department provide a Daily Summary sheet showing the receipt activities. It's then provided to the Bookkeeping Department. They enter the receipt amounts into the Journals. That person is verifying while entering. Afterwards another Bookkeeper reviews.


1-b. To ensure that all classifications or reports are correct dual control will be put into place by two Bookkeepers to make sure the work is reviewed and approved for proper classification and to have initials as proof of signed off.

2. Vendor Disbursements – (Retainage) of the balancing documentation has been put in place.

3. Payroll – We will retain these documents with two reviewing and both initialing for Internal Controls.

4. Future monitoring of Internal Controls – Monthly checklist is soon to be created to monitor and verify all Internal Controls are in place by each employee and department.
In regards to payroll, accounts payable and revenue will be monitored on a monthly basis to properly identify allocations are correct.

Anticipated Completion Date: November 1, 2016


Signature

Clerk-Treasurer
Title

July 6, 2016

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CITY OF CROWN POINT

OFFICE OF THE MAYOR

David D.F. Uran
Mayor

Greg Falkowski
Chief of Staff

CORRECTIVE ACTION PLAN

Findings – 2015-001

Contact Person Responsible for Corrective Action: **Mayor David Uran**
Contact Phone Number: **(219) 662-3240**

Views of Responsible Official: **Acknowledged**

Description of Corrective Action Plan: **The City of Crown Point has already adopted and has begun implementation of State initiated Internal Controls. Furthermore, the City of Crown Point has begun a progressive effort to implement next generation financial software; a solution that would strengthen the City's transparency and offer an increase in security, monitoring and accountability.**

Anticipated Completion Date: 1st Quarter 2017

David H. Nicholls
(Signature)

City Attorney
(Title)

7-21-2016
(Date)

www.crownpoint.in.gov

101 N East Street • Crown Point, IN 46307

OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.