

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

AUDIT REPORT  
OF

DEPARTMENT OF MUNICIPAL TRANSPORTATION  
CITY OF ANDERSON  
MADISON COUNTY, INDIANA

January 1, 2005 to December 31, 2005



**FILED**  
08/24/2006



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CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Mayor	Honorable Kevin S. Smith	01-01-04 to 12-31-07
General Manager	Pete Heuer	01-01-05 to 12-31-06
Controller	Morris D. Long	01-01-05 to 12-31-06
President of the Common Council	Rick Muir Rodney Chamberlain	01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the Board of Public Works	Robert Sparks	01-01-05 to 12-31-06



**STATE OF INDIANA**  
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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

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

TO: THE OFFICIALS OF CITY OF ANDERSON, MADISON COUNTY, INDIANA

We have audited the records of the Department of Municipal Transportation for the period from January 1, 2005 to December 31, 2005, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Result and Comment. The financial transactions of this office are reflected in the Comprehensive Annual Financial Report of the City of Anderson for the year 2005.

STATE BOARD OF ACCOUNTS

June 6, 2006

DEPARTMENT OF MUNICIPAL TRANSPORTATION  
CITY OF ANDERSON  
AUDIT RESULT AND COMMENT

FEDERAL COMPLIANCE REQUIREMENTS

The City of Anderson Transit System (CATS) did not compute the requested amount of federal transit grant reimbursements correctly. Although the correct amount of money was received in total, \$54,166 was received prematurely causing incorrect reporting and noncompliance of determining reimbursements.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DEPARTMENT OF MUNICIPAL TRANSPORTATION  
CITY OF ANDERSON  
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2006, with Pete Heuer, General Manager; Honorable Kevin S. Smith, Mayor; and Morris D. Long, Controller.