B40359

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF COLUMBIA CITY
WHITLEY COUNTY, INDIANA

January 1, 2011 to December 31, 2011

FILED
04/30/2012

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SCHEDULE OF OFFICIALS

Office	Official	Term
Clerk-Treasurer	Rosie M. Coyle	01-01-08 to 12-31-15
Mayor	James R. Fleck	01-01-08 to 12-31-11
	Ryan L. Daniel	01-01-12 to 12-31-15
President of the Board of Public Works and Safety	James R. Fleck	01-01-08 to 12-31-11
	Ryan L. Daniel	01-01-12 to 12-31-15
President of the Common Council	Roger Seymoure	01-01-11 to 12-31-11
	Daniel L. Weigold	01-01-12 to 12-31-12
Superintendent of Water Utility	Michael D. Dear	01-01-11 to 12-31-12
Superintendent of Wastewater Utility	Michel C. Cook	01-01-11 to 12-31-12
Superintendent of Electric Utility	Larry G. Whetstone	01-01-11 to 12-31-12

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF COLUMBIA CITY, WHITLEY COUNTY, INDIANA

We have audited the accompanying financial statement of the City of Columbia City (City), for the year ended December 31, 2011. 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 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 includes consideration of internal control over financial reporting as a basis for designing 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 over reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit 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 State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting noted above is a different basis than that used in the prior year.

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, 2011, on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued a report dated April 9, 2012, 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 and should be considered in assessing the results of our audit.

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 the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the financial statement taken as a whole.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Included in the financial statement are the receipts and disbursements activity from emergency telephone system fees (IC 36-8-16) and enhanced wireless emergency telephone fees (IC 36-8-16.5). In accordance with Indiana Code 36-8-16-14 and Indiana Code 36-8-16.5-41 these fees have been subject to an annual audit performed by the State Board of Accounts and, in our opinion, are fairly stated, in all material respects, in relation to the financial statement taken as a whole.

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 Long-Term Debt, and Schedule of Capital Assets 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.

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 9, 2012

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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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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 COLUMBIA CITY, WHITLEY COUNTY, INDIANA

We have audited the financial statement of the City of Columbia City (City), for the year ended December 31, 2011, and have issued our report thereon dated April 9, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 entity's financial statement will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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.

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 9, 2012

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 COLUMBIA CITY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General	$ 399,733	$ 2,535,641	$ 2,809,437	$ 125,937
Motor Vehicle Highway	79,595	620,921	594,134	106,382
Local Road and Street	2,019	38,091	39,959	151
Parking Meter	7,735	3,905	5,736	5,904
Fire Violations	960	20	910	70
Park and Recreation Non Reverting	(30,787)	168,798	129,502	8,509
Economic Development Redevelopment	65,835	35,716	8,624	92,927
Solid Waste	35,111	333,817	338,884	30,044
Housing Grant #3	115,875	7,943	60	123,758
Law Enforcement Continuing Education	793	7,052	6,721	1,124
Riverboat Gambling	382,533	44,625	243,145	184,013
Enhanced 911	24,313	10,721	10,289	24,745
Park and Recreation	38,807	370,269	352,679	56,397
Rainy Day	1,285,525	1,049	176,061	1,110,513
EDIT-CIP Community Development	287,277	261,001	324,415	223,863
Hazardous Materials	160	663	-	823
Federal Equitable Sharing	96	-	-	96
Levy Excess	7,503	-	7,503	-
IHCDA Recap Grant	191,412	-	95,000	96,412
Cumulative Capital Improvement	(2,078)	20,323	15,576	2,669
Cumulative Capital Development	1,025	70,626	74,360	(2,709)
Cumulative Bridge	148,040	72,364	61,745	158,659
Cumulative Fire	263,980	17,263	54,156	227,087
Cumulative Park	72,489	23,691	20,601	75,579
General Improvement	16,918	4,091	4,091	16,918
TIF Capital Project	145,752	39,156	13,258	171,650
Information Services	15,046	37,820	41,527	11,339
Group Insurance	134,576	1,012,174	1,249,913	(103,163)
Police Pension	239,257	178,472	198,460	219,269
Sales Tax	248	217	255	210
Cemetery	24,511	13,840	14,993	23,358
EPA Brownfield Grant	-	177,227	173,849	3,378
Bicentennial Committee	697	-	-	697
Police OPO Grant	211	-	-	211
Revolving Loan Redevelopment	-	917	-	917
Wayne Waste Financial Assurance	27,859	55,000	41,990	40,869
Fire Equipment Bond	30,252	83,909	117,998	(3,837)
Group Insurance - Retirees	18,400	7,669	-	26,069
Cemetery Endowment	23,316	820	304	23,832
Park Donation	79,521	38,176	56,632	61,065
Donations	372,851	14,430	11,405	375,876
Payroll Clearing Account	2,700	4,276,468	4,278,020	1,148
Electric Operating	995,413	10,941,361	10,383,836	1,552,938
Electric Meter Deposit	226,388	29,815	23,425	232,778
Electric Depreciation	143,551	60,000	-	203,551
Electric Cash Reserve	304,363	180,000	96,000	388,363
Storm Water Operating	794,105	735,166	731,167	798,104
Wastewater Debt Reserve	1,563,996	79,295	138,255	1,505,036
Wastewater Sinking	770,437	1,871,526	2,542,075	99,888
Wastewater Operating	191,761	4,044,687	3,989,653	246,795
Wastewater Improvement	155,972	120,000	249,711	26,261
Wastewater Cash Reserve	54,856	270,000	216,000	108,856
Wastewater Construction - OCRA Grant	-	3,140,530	3,140,530	-
Water Bond and Interest	58,674	270,564	270,794	58,444
Water Debt Reserve	271,703	-	-	271,703
Water Cash Reserve	24,688	22,000	38,000	8,688
Water Operating	18,644	1,652,626	1,733,533	(62,263)
Water Meter Deposits	38,760	5,075	2,595	41,240
Water Depreciation	57,820	105,141	67,680	95,281
Totals	$ 10,181,197	$ 34,112,671	$ 35,195,446	$ 9,098,422

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

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.

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.

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 statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement any replacement items purchased.

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

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.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's 2011 Annual Report information can be found on the Gateway website: https://gateway.ifionline.org/.

Differences may be noted between the financial information presented in the financial 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 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 supplementary information presented was prepared and/or approved by management of the City. It is presented as intended by the City.

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

	General	Motor Vehicle Highway	Local Road and Street	Parking Meter	Fire Violations	Park and Recreation Non Reverting
Cash and investments - beginning	$ 399,733	$ 79,595	$ 2,019	$ 7,735	$ 960	$ (30,787)
Receipts:						
Taxes	993,160	374,760	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,462,843	242,315	38,091	-	-	-
Charges for services	13,200	3,806	-	-	-	91,007
Fines and forfeits	60,136	-	-	3,905	20	-
Utility fees	-	-	-	-	-	-
Other receipts	6,302	40	-	-	-	77,791
Total receipts	2,535,641	620,921	38,091	3,905	20	168,798
Disbursements:						
Personal services	2,083,140	282,912	-	-	-	19,290
Supplies	184,551	106,266	-	5,180	-	63,916
Other services and charges	446,628	204,956	39,959	556	910	46,296
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	94,437	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	681	-	-	-	-	-
Total disbursements	2,809,437	594,134	39,959	5,736	910	129,502
Excess (deficiency) of receipts over disbursements	(273,796)	26,787	(1,868)	(1,831)	(890)	39,296
Cash and investments - ending	$ 125,937	$ 106,382	$ 151	$ 5,904	$ 70	$ 8,509

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

	Economic Development Redevelopment	Solid Waste	Housing Grant #3	Law Enforcement Continuing Education	Riverboat Gambling	Enhanced 911
Cash and investments - beginning	$ 65,835	$ 35,111	$ 115,875	$ 793	$ 382,533	$ 24,313
Receipts:						
Taxes	31,724	-	-	-	-	-
Licenses and permits	-	-	-	3,320	-	-
Intergovernmental	3,992	31	-	-	44,288	-
Charges for services	-	333,786	-	2,754	-	10,721
Fines and forfeits	-	-	-	978	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	7,943	-	337	-
Total receipts	35,716	333,817	7,943	7,052	44,625	10,721
Disbursements:						
Personal services	-	-	-	-	-	10,289
Supplies	-	-	-	235	-	-
Other services and charges	8,624	338,884	60	126	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	6,360	243,145	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	8,624	338,884	60	6,721	243,145	10,289
Excess (deficiency) of receipts over disbursements	27,092	(5,067)	7,883	331	(198,520)	432
Cash and investments - ending	$ 92,927	$ 30,044	$ 123,758	$ 1,124	$ 184,013	$ 24,745

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

	Park and Recreation	Rainy Day	EDIT-CIP Community Development	Hazardous Materials	Federal Equitable Sharing	Levy Excess
Cash and investments - beginning	$ 38,807	$ 1,285,525	$ 287,277	$ 160	$ 96	$ 7,503
Receipts:						
Taxes	326,777	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	41,119	1,049	254,601	-	-	-
Charges for services	-	-	-	663	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,373	-	6,400	-	-	-
Total receipts	370,269	1,049	261,001	663	-	-
Disbursements:						
Personal services	217,806	-	-	-	-	-
Supplies	19,195	-	59,815	-	-	-
Other services and charges	115,678	68,304	-	-	-	7,503
Debt service - principal and interest	-	-	31,198	-	-	-
Capital outlay	-	107,757	233,402	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	352,679	176,061	324,415	-	-	7,503
Excess (deficiency) of receipts over disbursements	17,590	(175,012)	(63,414)	663	-	(7,503)
Cash and investments - ending	$ 56,397	$ 1,110,513	$ 223,863	$ 823	$ 96	$ -

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

	IHCDA Recap Grant	Cumulative Capital Improvement	Cumulative Capital Development	Cumulative Bridge	Cumulative Fire	Cumulative Park
Cash and investments - beginning	$ 191,412	$ (2,078)	$ 1,025	$ 148,040	$ 263,980	$ 72,489
Receipts:						
Taxes	-	-	62,732	64,163	11,809	20,990
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	20,323	7,894	8,201	5,252	2,641
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	202	60
Total receipts	-	20,323	70,626	72,364	17,263	23,691
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	95,000	-	-	14,028	37,804	1,797
Debt service - principal and interest	-	15,576	74,360	-	-	-
Capital outlay	-	-	-	47,717	16,352	18,804
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	95,000	15,576	74,360	61,745	54,156	20,601
Excess (deficiency) of receipts over disbursements	(95,000)	4,747	(3,734)	10,619	(36,893)	3,090
Cash and investments - ending	$ 96,412	$ 2,669	$ (2,709)	$ 158,659	$ 227,087	$ 75,579

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

	General Improvement	TIF Capital Project	Information Services	Group Insurance	Police Pension	Sales Tax
Cash and investments - beginning	$ 16,918	$ 145,752	$ 15,046	$ 134,576	$ 239,257	$ 248
Receipts:						
Taxes	-	39,019	-	-	-	217
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	178,279	-
Charges for services	4,091	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	137	37,820	1,012,174	193	-
Total receipts	4,091	39,156	37,820	1,012,174	178,472	217
Disbursements:						
Personal services	-	-	-	-	186,460	-
Supplies	-	-	-	-	-	-
Other services and charges	-	13,258	11,557	1,249,913	-	255
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	4,091	-	29,970	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	12,000	-
Total disbursements	4,091	13,258	41,527	1,249,913	198,460	255
Excess (deficiency) of receipts over disbursements	-	25,898	(3,707)	(237,739)	(19,988)	(38)
Cash and investments - ending	$ 16,918	$ 171,650	$ 11,339	$ (103,163)	$ 219,269	$ 210

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

	Cemetery	EPA Brownfield Grant	Bicentennial Committee	Police OPO Grant	Revolving Loan Redevelopment	Wayne Waste Financial Assurance
Cash and investments - beginning	$ 24,511	$ -	$ 697	$ 211	$ -	$ 27,859
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	177,227	-	-	-	-
Charges for services	13,840	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	917	55,000
Total receipts	13,840	177,227	-	-	917	55,000
Disbursements:						
Personal services	4,611	-	-	-	-	-
Supplies	1,138	-	-	-	-	-
Other services and charges	9,244	173,849	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	41,990
Total disbursements	14,993	173,849	-	-	-	41,990
Excess (deficiency) of receipts over disbursements	(1,153)	3,378	-	-	917	13,010
Cash and investments - ending	$ 23,358	$ 3,378	$ 697	$ 211	$ 917	$ 40,869

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

	Fire Equipment Bond	Group Insurance - Retirees	Cemetery Endowment	Park Donation	Donations	Payroll Clearing Account
Cash and investments - beginning	$ 30,252	$ 18,400	$ 23,316	$ 79,521	$ 372,851	$ 2,700
Receipts:						
Taxes	77,876	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	6,033	-	-	15,859	2,550	-
Charges for services	-	-	820	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	7,669	-	22,317	11,880	4,276,468
Total receipts	83,909	7,669	820	38,176	14,430	4,276,468
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	304	56,632	11,405	-
Debt service - principal and interest	117,998	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	4,278,020
Total disbursements	117,998	-	304	56,632	11,405	4,278,020
Excess (deficiency) of receipts over disbursements	(34,089)	7,669	516	(18,456)	3,025	(1,552)
Cash and investments - ending	$ (3,837)	$ 26,069	$ 23,832	$ 61,065	$ 375,876	$ 1,148

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

	Electric Operating	Electric Meter Deposit	Electric Depreciation	Electric Cash Reserve	Storm Water Operating	Wastewater Debt Reserve
Cash and investments - beginning	$ 995,413	$ 226,388	$ 143,551	$ 304,363	$ 794,105	$ 1,563,996
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	10,608,627	29,815	-	-	734,449	-
Other receipts	332,734	-	60,000	180,000	717	79,295
Total receipts	10,941,361	29,815	60,000	180,000	735,166	79,295
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	59,793	-	-	-	67,200	-
Utility operating expenses	10,084,043	23,425	-	-	663,967	-
Other disbursements	240,000	-	-	96,000	-	138,255
Total disbursements	10,383,836	23,425	-	96,000	731,167	138,255
Excess (deficiency) of receipts over disbursements	557,525	6,390	60,000	84,000	3,999	(58,960)
Cash and investments - ending	$ 1,552,938	$ 232,778	$ 203,551	$ 388,363	$ 798,104	$ 1,505,036

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

	Wastewater Sinking	Wastewater Operating	Wastewater Improvement	Wastewater Cash Reserve	Wastewater Construction - OCRA Grant	Water Bond and Interest
Cash and investments - beginning	$ 770,437	$ 191,761	$ 155,972	$ 54,856	$ -	$ 58,674
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	3,140,530	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	3,671,387	-	-	-	-
Other receipts	1,871,526	373,300	120,000	270,000	-	270,564
Total receipts	1,871,526	4,044,687	120,000	270,000	3,140,530	270,564
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	2,542,075	-	-	-	-	270,794
Capital outlay	-	15,795	249,711	-	3,140,530	-
Utility operating expenses	-	1,771,302	-	-	-	-
Other disbursements	-	2,202,556	-	216,000	-	-
Total disbursements	2,542,075	3,989,653	249,711	216,000	3,140,530	270,794
Excess (deficiency) of receipts over disbursements	(670,549)	55,034	(129,711)	54,000	-	(230)
Cash and investments - ending	$ 99,888	$ 246,795	$ 26,261	$ 108,856	$ -	$ 58,444

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

	Water Debt Reserve	Water Cash Reserve	Water Operating	Water Meter Deposits	Water Depreciation	Totals
Cash and investments - beginning	$ 271,703	$ 24,688	$ 18,644	$ 38,760	$ 57,820	$ 10,181,197
Receipts:						
Taxes	-	-	-	-	-	2,003,227
Licenses and permits	-	-	-	-	-	3,320
Intergovernmental	-	-	-	-	-	5,653,118
Charges for services	-	-	-	-	-	474,688
Fines and forfeits	-	-	-	-	-	65,039
Utility fees	-	-	1,457,149	5,075	95,141	16,601,643
Other receipts	-	22,000	195,477	-	10,000	9,311,636
Total receipts	-	22,000	1,652,626	5,075	105,141	34,112,671
Disbursements:						
Personal services	-	-	-	-	-	2,804,508
Supplies	-	-	-	-	-	440,296
Other services and charges	-	-	-	-	-	2,953,530
Debt service - principal and interest	-	-	-	-	-	3,052,001
Capital outlay	-	-	127,476	-	67,680	4,530,220
Utility operating expenses	-	-	1,283,912	2,595	-	13,829,244
Other disbursements	-	38,000	322,145	-	-	7,585,647
Total disbursements	-	38,000	1,733,533	2,595	67,680	35,195,446
Excess (deficiency) of receipts over disbursements	-	(16,000)	(80,907)	2,480	37,461	(1,082,775)
Cash and investments - ending	$ 271,703	$ 8,688	$ (62,263)	$ 41,240	$ 95,281	$ 9,098,422

CITY OF COLUMBIA CITY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
December 31, 2011

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

	Ending Balance
Governmental activities:	
Capital assets, not being depreciated:	
Land	$ 88,675
Infrastructure	8,208,903
Buildings	2,234,276
Improvements other than buildings	1,450,912
Machinery and equipment	3,467,553
Total governmental activities, capital assets not being depreciated	$ 15,450,319
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	$ 7,654
Construction in progress	14,378
Capital assets, being depreciated:	
Buildings	1,591,141
Improvements other than buildings	6,545,674
Machinery and equipment	635,696
Total Water Utility capital assets	8,794,543
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	23,396
Construction in progress	8,592,483
Capital assets, being depreciated:	
Buildings	7,648,951
Improvements other than buildings	19,393,325
Machinery and equipment	8,397,449
Total Wastewater Utility capital assets	44,055,604
Electric Utility:	
Capital assets, not being depreciated:	
Land	223,573
Land held for resale	1,981
Capital assets, being depreciated:	
Buildings	1,566,314
Improvements other than buildings	9,624,700
Machinery and equipment	1,889,751
Total Electric Utility capital assets	13,306,319
Storm Water Utility:	
Capital assets, being depreciated:	
Improvements other than buildings	240,763
Machinery and equipment	69,166
Total Storm Water Utility capital assets	309,929
Total business-type activities capital assets	$ 66,466,395

CITY OF COLUMBIA CITY
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2011

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Capital leases:			
City hall	$ 314,000	$ 60,693	Cumulative Capital Development
Loans payable:			
2005 water pollution control facility upgrade	13,424,000	565,428	Wastewater Bond and Interest
2006 water pollution control facility upgrade	5,159,665	*	Wastewater Bond and Interest
2010 water pollution control facility upgrade	3,328,000	*	Wastewater Bond and Interest
Bonds payable:			
General obligation bonds:			
2001 fire station renovations	471,000	119,120	Fire Equipment Bond
Revenue bonds:			
2004 Water Utility refunding	1,113,000	140,277	Water Bond and Interest
2006 Water Utility north booster station	1,406,000	129,528	Water Bond and Interest
Total debt	$ 25,215,665	$ 1,015,046	

*Project not completed, amortization schedule not available.

CITY OF COLUMBIA CITY
OTHER REPORT

The annual audit report presented herein was prepared in addition to the other official report prepared for the City of Columbia City Municipal Utilities.

OVERDRAWN CASH BALANCES

The cash balances of the following funds were overdrawn at December 31, 2011: Cumulative Capital Development Fund $2,709; Fire Equipment Bond Fund $3,837; Group Insurance Fund $103,163; and Water Operating Fund $62,263.

The cash 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)

CREDIT CARD PAYMENTS

The following deficiencies were noted during the review of a payment of a credit card invoice:

1. No supporting documentation for travel expenses for an airline ticket for $499, additional airline taxes and fees of $139 and a restaurant bill for $13.

2. Sales tax in the amount of of $26 was paid on office furniture purchased.

3. Personal items totaling $118 were purchased on the City credit card, and subsequently paid by the employee to the credit card vendor.

4. A hotel receipt submitted was $24 less than the credit card charge.

5. Gasoline in the amount of $11 was purchased locally with no receipt or explanation for the purchase.

6. Meals in the amount of $23 were purchased locally but claimed as travel.

7. A purchase in the amount of $235 to a vendor titled "Cheaper Than Dirt" had no supporting documentation.

8. A payment in the amount of $70 to "Indiana Association" with no supporting documentation.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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

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SUPPLEMENTAL AUDIT OF

FEDERAL AWARDS

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

TO: THE OFFICIALS OF THE CITY OF COLUMBIA CITY, WHITLEY COUNTY, INDIANA

Compliance

We have audited the compliance of the City of Columbia City (City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(Continued)

A deficiency in internal control over compliance 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, 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.

Our consideration of the 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the City's management, Common Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

April 9, 2012

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

CITY OF COLUMBIA CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2011

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
U.S. DEPARTMENT OF AGRICULTURE			
Pass-Through Indiana Department of Natural Resources			
Cooperative Forestry Assistance	10.664		
		FY 2011	$ 2,550
Total for federal grantor agency			2,550
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-Through Indiana Office of Community and Rural Affairs			
CDBG – State-Administered CDBG Cluster			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228		
		DR2-09-076	3,140,530
		DR2-09-128	105,575
Total for federal grantor agency			3,246,105
U.S. DEPARTMENT OF JUSTICE			
Direct Grant			
Bulletproof Vest Partnership Program	16.607		
		FY 2011	4,287
Total for federal grantor agency			4,287
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-Through Indiana Department of Natural Resources			
Highway Planning and Construction Cluster			
Recreational Trails Program	20.219		
		RT-10-009	15,859
Total for federal grantor agency			15,859
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Direct Grant			
ARRA - Brownfields Assessment and Cleanup Cooperative Agreements	66.818		
		FY 2011	64,587
Pass-Through Indiana Finance Authority			
Capitalization Grants for Clean Water State Revolving Funds	66.458		
		WW0503921	275,608
		WW0911692 03	678,761
Total for program			954,369
Total for federal grantor agency			1,018,956
Total federal awards expended			$ 4,287,757

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF COLUMBIA CITY
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Columbia City and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statement. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.

CITY OF COLUMBIA CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I – Summary of Auditor's Results

Financial Statement:

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
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
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	no

Identification of Major Programs:

CFDA Number	Name of Federal Program or Cluster
	CDBG – State–Administered CDBG Cluster
66.458	Capitalization Grants for Clean Water State Revolving Funds

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? no

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

No matters are reportable.

CITY OF COLUMBIA CITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

No matters are reportable.

CITY OF COLUMBIA CITY
EXIT CONFERENCE

The contents of this report were discussed on April 9, 2012, with Rosie M. Coyle, Clerk-Treasurer; Ryan L. Daniel, Mayor; and Daniel L. Weigold, President of the Common Council.