

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF LAPORTE
LAPORTE COUNTY, INDIANA

January 1, 2016 to December 31, 2016



FILED
01/31/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Teresa L. Ludlow	01-01-16 to 12-31-19
Mayor	Blair E. Milo Mark A. Krentz	01-01-16 to 08-11-17 08-12-17 to 12-31-19
President of the Board of Public Works and Safety	Blair E. Milo Mark A. Krentz	01-01-16 to 08-11-17 08-12-17 to 12-31-19
President Pro Tempore of the Common Council	Joseph A. Mrozinske	01-01-16 to 12-31-17



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF LAPORTE, LAPORTE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of LaPorte (City), which comprises the financial position and results of operations for the year ended December 31, 2016, 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 from 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 to 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, 2016.

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, 2016, 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 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.

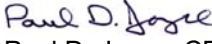
Other Information

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 December 20, 2017, 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

December 20, 2017



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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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 LAPORTE, LAPORTE 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 LaPorte (City), which comprises the financial position and results of operations for the year ended December 31, 2016, and the related notes to the financial statement, and have issued our report thereon dated December 20, 2017, 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 certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2016-001, 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

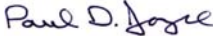
As part of obtaining reasonable assurance about whether the City's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 LaPorte'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

December 20, 2017

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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 LAPORTE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments			Cash and Investments 12-31-16
	01-01-16	Receipts	Disbursements	
FIRE - FEMA AFG GRANT	\$ 4,560	\$ 41,455	\$ 45,600	\$ 415
GENERAL FUND	1,722,565	10,094,597	9,468,992	2,348,170
MVH	812,376	987,563	918,956	880,983
LOCAL ROAD & STREET	132,087	207,122	202,166	137,043
PARK NON-REVERTING	102,582	53,689	41,102	115,169
ECONOMIC DEV COMMISSION	10,780	-	-	10,780
LANDFILL BOND DEBT SVC	37,509	175,563	211,830	1,242
TRANSIT	(47,435)	520,009	590,778	(118,204)
COMMUNITY BLOCK GRANT	(41,085)	595,583	557,284	(2,786)
LAW ENF CONT EDUCATION	95,005	33,026	21,819	106,212
UNSAFE BUILDING	39,210	-	800	38,410
PARK	357,672	1,531,435	1,403,927	485,180
TRASH	288,082	899,973	947,428	240,627
RAINY DAY FUND	-	152,062	-	152,062
CEDIT	1,328,598	1,471,955	1,783,034	1,017,519
LEVY EXCESS FUND	-	139,904	-	139,904
MAJOR MOVES CONSTRUCTION	2,162,817	150	-	2,162,967
CCI	207,581	56,207	81,944	181,844
CCD	1,398,913	677,092	768,493	1,307,512
PARK N/R CAPITAL	18,276	-	-	18,276
GENERAL IMPROVEMENT FUND	23,880	-	-	23,880
REDEVELOPMENT COMM/TIF 1	1,668,276	1,131,038	837,189	1,962,125
INDUSTRIAL DEVELOPMENT	46,090	750	-	46,840
ENBRIDGE CHESSIE TRAIL GRANT	11,830	100,586	125,325	(12,909)
INSURANCE	64,109	1,911,818	1,900,358	75,569
POLICE PENSION	121,150	741,244	765,068	97,326
FIRE PENSION	193,133	1,207,207	1,221,539	178,801
RIVERBOAT	982,470	146,410	200,000	928,880
L.A.R.E. GRANT 2014	-	2,762	2,762	-
L.A.R.E. GRANT - 2015	-	3,000	3,000	-
LOIT SPECIAL DISTRIBUTION FUND	-	456,186	456,186	-
LOCAL ROAD & BRIDGE MATCHING GRANT FUND	-	1,000,000	680,904	319,096
RECREATION NON-REVERTING	121,787	222,457	230,193	114,051
CIVIC NON-REVERTING	172,362	126,893	86,789	212,466
GOLF NON-REVERTING	8,524	3,630	1,916	10,238
BEECHWOOD N/R CAPITAL	5,708	6,000	4,560	7,148
OPERATION PULLOVER GRANT	(4,049)	22,573	20,600	(2,076)
DUI TASKFORCE	1,609	14,248	17,890	(2,033)
KIWANIS/TELEDYNE	37,776	-	15,000	22,776
LP STRATEGIC PLANNING	12,391	-	-	12,391
FIRE - CHILD SAFETY SEAT GRANT	9	1,465	1,474	-
DEA FUND	281	-	-	281
VEST FUND	145	4,155	4,155	145
DRUG FREE PARTNERSHIP	400	-	-	400
VERTICAL REAL ESTATE FUND	122,745	10,368	-	133,113
RENTAL REHAB LIEN PYMT	661	-	-	661
CENTRAL STATION INTERIOR	1,170	-	-	1,170
REDEVELOPMENT COMM/TIF II	4,547,829	754,739	436,987	4,865,581
REDEVELOPMENT - TIF III	757,343	733,740	245,000	1,246,083
DOWNTOWN BID DISTRICT	324,779	76,008	103,535	297,252
REDEVELOPMENT COMM - TIF IV	722,332	154,721	43,530	833,523
AMERICA'S BEST COMMUNITIES FUND	44,398	-	44,398	-
REDEVELOPMENT AUTHORITY SERIES A	851,034	59	851,058	35
REDEVELOPMENT AUTHORITY SERIES B	5,869,031	155,869	6,002,540	22,360
PAVEMENT MANAGEMENT GRANT	-	140,322	145,543	(5,221)
OCRA GRANT (PLAZA 618)	-	267,434	267,434	-
RDA SERIES A - RESERVE FUND	-	229,877	325	229,552
RDA SERIES A - SINKING FUND	-	103,139	103,033	106
RDA SERIES B - RESERVE FUND	-	799,294	-	799,294
RDA SERIES B - SINKING FUND	-	532,745	355,075	177,670
MASTER PLAN	5,413	-	-	5,413
RESTRICTED DONATIONS	200,414	557,932	83,542	674,804
MAYOR' S VETERANS COMM	7,424	1,555	700	8,279
GOOD SAMARITAN FUND	438	4,585	3,970	1,053
EMPLOYEE BENEFIT FUND	3,028,775	2,188,394	1,855,189	3,361,980
WATER DEPRECIATION	21,249	537,059	405,120	153,188
WATER METER DEPOSITS	267,715	238,604	16,679	489,640
TRANSPORTE TRIANGLE ROUTE	(24,671)	55,382	42,079	(11,368)

CITY OF LAPORTE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2016

Fund	Cash and Investments			Cash and Investments 12-31-16
	01-01-16	Receipts	Disbursements	
IFA POWERHOUSE GRANT	1,123	-	-	1,123
G.O. BONDS OF 2012	102,328	156,879	166,526	92,681
2012 GO BOND PROCEEDS	1,286,318	-	1,062,618	223,700
BOND-DEBT SERVICE	114,425	114,409	173,409	55,425
FIRE EQUIP LEASE BONDS	164,389	112,500	276,889	-
FIRE LEASE REFUNDING BONDS	-	495,701	349,500	146,201
CMAQ	-	27,719	27,719	-
MAURICE FOX TRUST	219,897	11,395	6,913	224,379
ELEANOR FOX TRUST	114,378	2,987	14,106	103,259
FOX MEMORIAL TRUST	38,949	2,813	1,368	40,394
PR - DIRECT DEPOSIT	-	5,236,902	5,236,902	-
PAYROLL NET SALARIES	-	1,332,196	1,332,196	-
PAYROLL - FEDERAL	-	1,039,688	1,039,688	-
PAYROLL - FICA	-	608,064	608,064	-
PAYROLL - MEDICARE	-	262,377	262,377	-
PAYROLL - STATE W/H	-	303,339	303,339	-
PAYROLL - COUNTY W/H	-	87,450	87,450	-
PAYROLL - PERF	-	11,810	11,810	-
PR AFLAC - POST TAX	-	2,528	2,528	-
AFLAC - PRE-TAX	-	9,987	9,987	-
AMERICAN FIDELITY PRE-TAX	-	409	409	-
AMERICAN FIDELITY POST-TAX	-	29,049	29,049	-
AMERICAN FIDELITY HSA	-	31,435	31,435	-
AMERICAN FIDELITY PRE-TAX 125	-	8,542	8,542	-
PAYROLL - HARTFORD LOAN	-	16,841	16,841	-
BOSTON MUTUAL LIFE	-	28,597	28,597	-
PAYROLL-HARTFORD 457	-	133,952	133,952	-
CENTIER BANK	-	15,846	15,846	-
HORIZON - HEALTH SAVINGS	-	550	550	-
PAYROLL-GOOD SAMARITAN	-	4,585	4,585	-
CITY OF LP INSURANCE	-	166,449	166,449	-
LPSB-HEALTH SAVINGS	-	76,294	76,294	-
FOP #54	-	5,145	5,145	-
IN CHILD SUPPORT FEE	-	385	385	-
FOP LABOR COUNCIL	-	5,037	5,037	-
GUARDIAN - LIFE	-	3,425	3,425	-
LP FIREFIGHTERS LOCAL 363	-	20,430	20,430	-
LP FIREFIGHTERS PAC DUES	-	2,592	2,592	-
PAYROLL - LP CIRCUIT COURT	-	600	600	-
LP MUN.EMPLOYEE CRT UNION	-	402,545	402,545	-
LP SUPERIOR COURT #4	-	816	816	-
CHILD SUPPORT	-	58,786	58,786	-
LP SUPERIOR COURT #3	-	3,091	3,091	-
CONTINENTAL AMERICAN INS	-	1,828	1,828	-
MONUMENTAL LIFE INSURANCE	-	1,610	1,610	-
CLERK - ST. JOSEPH SUPERIOR COURT	-	576	576	-
ECMC GARNISHMENT	-	243	243	-
STANDING CHAPTER 13	-	10,620	10,620	-
FLEXIBLE SPENDING ACCOUNT	5,058	-	-	5,058
YMCA	-	20,483	20,483	-
SEWAGE - UNDERGROUND STORAGE TANK INSURANCE	30,042	35,034	-	65,076
UTILITIES - CREDIT CARDS	50	483,977	483,977	50
UTILITIES ACH FUND	896	1,016,660	730,504	287,052
PAYROLL EXTRA	1,945	1,645	1,645	1,945
WW SRF BOND & INTEREST	187,773	563,951	618,161	133,563
WW SRF DEBT SERVICE	1,284,491	1,650	-	1,286,141
SEWAGE FUND	1,028,230	4,419,368	4,665,121	782,477
SEWAGE DEPRECIATION	400,008	291,309	288,202	403,115
SEWAGE BOND RETIREMENT	443,094	725,190	721,172	447,112
2015 SEWAGE CONSTRUCTION BONDS	4,237,374	3,555	2,259,311	1,981,618
WATER FUND	1,625,471	3,584,950	4,063,897	1,146,524
WATER SRF BOND & INTEREST	242,157	251,177	323,484	169,850
WATER SRF DEBT SERVICE	228,973	25,761	-	254,734
Totals	\$ 40,603,422	\$ 54,555,365	\$ 60,804,422	\$ 34,354,365

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

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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. Amounts received from 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, innkeeper's 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. 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, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental 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. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines 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. Amounts received 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. Amounts received from charges for current services.

Other receipts. 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. Amounts disbursed 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. Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service - principal and interest. Amounts disbursed for 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.

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses. Amounts disbursed for operating the utilities.

Other disbursements. Amounts disbursed for various other purposes including, but 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, make transfers 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 amounts 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 amounts 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 lien date (March 1 in a year ending before January 1, 2016 and January 1 in a year beginning after December 31, 2015) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, the following: 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.

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

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

C. 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.

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.

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

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. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is the result of the funds being set up as reimbursable grants. Reimbursements for expenditures made by the City were not received by December 31, 2016.

Note 8. Holding Corporation

The City has entered into a capital lease with the LaPorte Fire Station Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2016 totaled \$237,000.

Note 9. Other Postemployment Benefits

Health insurance is offered to Police Officers and Firefighters for life per state statute. Premiums are paid by retirees.

CITY OF LAPORTE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 10. Subsequent Events

On March 30, 2017, the City issued Redevelopment Bonds in the amount of \$2,000,000 for the purchase of a new fire truck and a new sprinkler system at Beachwood Golf Course. The payments will be made semiannually over a period of 10 years with an initial interest rate of 2 percent increasing to 3 percent.

In December 2017, the City authorized the issuance and sale of Sewage Revenue Bonds in the amount of \$2,595,000 for the refunding of the 2000, 2001, and 2007 Sewage Bonds. Payments will be made semiannually over the course of 4 years at 2 percent interest.

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 City's Annual Financial Report 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 LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	FIRE - FEMA AFG GRANT	GENERAL FUND	MVH	LOCAL ROAD & STREET	PARK NON-REVERTING	ECONOMIC DEV COMMISSION	LANDFILL BOND DEBT SVC
Cash and investments - beginning	\$ 4,560	\$ 1,722,565	\$ 812,376	\$ 132,087	\$ 102,582	\$ 10,780	\$ 37,509
Receipts:							
Taxes	-	6,409,212	-	-	-	-	162,906
Licenses and permits	-	118,579	-	-	-	-	-
Intergovernmental	41,455	2,434,190	789,691	207,122	-	-	12,657
Charges for services	-	13,142	191,555	-	53,689	-	-
Fines and forfeits	-	65,387	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	1,054,087	6,317	-	-	-	-
Total receipts	41,455	10,094,597	987,563	207,122	53,689	-	175,563
Disbursements:							
Personal services	-	7,760,743	715,022	13,483	-	-	-
Supplies	-	201,619	62,209	-	-	-	-
Other services and charges	-	1,068,490	90,310	188,683	41,102	-	300
Debt service - principal and interest	-	-	-	-	-	-	211,530
Capital outlay	45,600	127,176	2,879	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	310,964	48,536	-	-	-	-
Total disbursements	45,600	9,468,992	918,956	202,166	41,102	-	211,830
Excess (deficiency) of receipts over disbursements	(4,145)	625,605	68,607	4,956	12,587	-	(36,267)
Cash and investments - ending	\$ 415	\$ 2,348,170	\$ 880,983	\$ 137,043	\$ 115,169	\$ 10,780	\$ 1,242

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	TRANSIT	COMMUNITY BLOCK GRANT	LAW ENF CONT EDUCATION	UNSAFE BUILDING	PARK	TRASH	RAINY DAY FUND
Cash and investments - beginning	\$ (47,435)	\$ (41,085)	\$ 95,005	\$ 39,210	\$ 357,672	\$ 288,082	\$ -
Receipts:							
Taxes	-	-	-	-	1,033,259	-	-
Licenses and permits	-	-	15,010	-	-	-	-
Intergovernmental	286,278	588,493	-	-	96,153	-	152,062
Charges for services	126,601	-	10,038	-	389,031	899,973	-
Fines and forfeits	-	-	7,643	-	590	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	107,130	7,090	335	-	12,402	-	-
Total receipts	520,009	595,583	33,026	-	1,531,435	899,973	152,062
Disbursements:							
Personal services	484,380	74,949	-	-	1,071,024	-	-
Supplies	59,062	819	-	-	143,038	-	-
Other services and charges	47,336	156,904	21,819	800	189,659	947,428	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	324,612	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	206	-	-
Total disbursements	590,778	557,284	21,819	800	1,403,927	947,428	-
Excess (deficiency) of receipts over disbursements	(70,769)	38,299	11,207	(800)	127,508	(47,455)	152,062
Cash and investments - ending	\$ (118,204)	\$ (2,786)	\$ 106,212	\$ 38,410	\$ 485,180	\$ 240,627	\$ 152,062

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	CREDIT	LEVY EXCESS FUND	MAJOR MOVES CONSTRUCTION	CCI	CCD	PARK N/R CAPITAL
Cash and investments - beginning	\$ 1,328,598	\$ -	\$ 2,162,817	\$ 207,581	\$ 1,398,913	\$ 18,276
Receipts:						
Taxes	-	139,904	-	-	249,082	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,450,047	-	-	56,207	23,010	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	21,908	-	150	-	405,000	-
Total receipts	1,471,955	139,904	150	56,207	677,092	-
Disbursements:						
Personal services	898,936	-	-	-	-	-
Supplies	894	-	-	-	-	-
Other services and charges	352,827	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	19,377	-	-	81,944	361,416	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	511,000	-	-	-	407,077	-
Total disbursements	1,783,034	-	-	81,944	768,493	-
Excess (deficiency) of receipts over disbursements	(311,079)	139,904	150	(25,737)	(91,401)	-
Cash and investments - ending	\$ 1,017,519	\$ 139,904	\$ 2,162,967	\$ 181,844	\$ 1,307,512	\$ 18,276

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	GENERAL IMPROVEMENT FUND	REDEVELOPMENT COMM/ TIF 1	INDUSTRIAL DEVELOPMENT	ENBRIDGE CHESSIE TRAIL GRANT	INSURANCE	POLICE PENSION
Cash and investments - beginning	\$ 23,880	\$ 1,668,276	\$ 46,090	\$ 11,830	\$ 64,109	\$ 121,150
Receipts:						
Taxes	-	797,810	-	-	-	5,222
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	100,586	-	576,022
Charges for services	-	-	750	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	333,228	-	-	1,911,818	160,000
Total receipts	-	1,131,038	750	100,586	1,911,818	741,244
Disbursements:						
Personal services	-	-	-	-	-	601,420
Supplies	-	-	-	-	-	-
Other services and charges	-	134,995	-	125,325	1,900,358	3,648
Debt service - principal and interest	-	351,500	-	-	-	-
Capital outlay	-	350,694	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	160,000
Total disbursements	-	837,189	-	125,325	1,900,358	765,068
Excess (deficiency) of receipts over disbursements	-	293,849	750	(24,739)	11,460	(23,824)
Cash and investments - ending	\$ 23,880	\$ 1,962,125	\$ 46,840	\$ (12,909)	\$ 75,569	\$ 97,326

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	FIRE PENSION	RIVERBOAT	L.A.R.E. GRANT 2014	L.A.R.E. GRANT - 2015	LOIT SPECIAL DISTRIBUTION FUND	LOCAL ROAD & BRIDGE MATCHING GRANT FUND
Cash and investments - beginning	\$ 193,133	\$ 982,470	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	962,207	140,494	2,210	2,400	456,186	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	245,000	5,916	552	600	-	1,000,000
Total receipts	1,207,207	146,410	2,762	3,000	456,186	1,000,000
Disbursements:						
Personal services	970,318	200,000	-	-	-	-
Supplies	202	-	-	-	-	-
Other services and charges	6,019	-	2,762	3,000	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	680,904
Utility operating expenses	-	-	-	-	-	-
Other disbursements	245,000	-	-	-	456,186	-
Total disbursements	1,221,539	200,000	2,762	3,000	456,186	680,904
Excess (deficiency) of receipts over disbursements	(14,332)	(53,590)	-	-	-	319,096
Cash and investments - ending	\$ 178,801	\$ 928,880	\$ -	\$ -	\$ -	\$ 319,096

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	RECREATION NON-REVERTING	CIVIC NON-REVERTING	GOLF NON-REVERTING	BEECHWOOD N/R CAPITAL	OPERATION PULLOVER GRANT	DUI TASKFORCE
Cash and investments - beginning	\$ 121,787	\$ 172,362	\$ 8,524	\$ 5,708	\$ (4,049)	\$ 1,609
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	22,500	14,248
Charges for services	222,457	126,893	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	3,630	6,000	73	-
Total receipts	222,457	126,893	3,630	6,000	22,573	14,248
Disbursements:						
Personal services	53,937	11,439	-	-	20,600	17,890
Supplies	-	-	-	-	-	-
Other services and charges	176,256	73,950	1,916	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	4,560	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	1,400	-	-	-	-
Total disbursements	230,193	86,789	1,916	4,560	20,600	17,890
Excess (deficiency) of receipts over disbursements	(7,736)	40,104	1,714	1,440	1,973	(3,642)
Cash and investments - ending	\$ 114,051	\$ 212,466	\$ 10,238	\$ 7,148	\$ (2,076)	\$ (2,033)

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	KIWANIS/ TELEDYNE	LP STRATEGIC PLANNING	FIRE - CHILD SAFETY SEAT GRANT	DEA FUND	VEST FUND	DRUG FREE PARTNERSHIP
Cash and investments - beginning	\$ 37,776	\$ 12,391	\$ 9	\$ 281	\$ 145	\$ 400
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	1,465	-	4,155	-
Total receipts	-	-	1,465	-	4,155	-
Disbursements:						
Personal services	-	-	-	-	4,155	-
Supplies	-	-	1,474	-	-	-
Other services and charges	15,000	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	15,000	-	1,474	-	4,155	-
Excess (deficiency) of receipts over disbursements	(15,000)	-	(9)	-	-	-
Cash and investments - ending	\$ 22,776	\$ 12,391	\$ -	\$ 281	\$ 145	\$ 400

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	VERTICAL REAL ESTATE FUND	RENTAL REHAB LIEN PYMT	CENTRAL STATION INTERIOR	REDEVELOPMENT COMM/ TIF II	REDEVELOPMENT - TIF III
Cash and investments - beginning	\$ 122,745	\$ 661	\$ 1,170	\$ 4,547,829	\$ 757,343
Receipts:					
Taxes	-	-	-	747,238	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	10,368	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	-	7,501	733,740
Total receipts	10,368	-	-	754,739	733,740
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	49,932	-
Debt service - principal and interest	-	-	-	-	245,000
Capital outlay	-	-	-	385,805	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	1,250	-
Total disbursements	-	-	-	436,987	245,000
Excess (deficiency) of receipts over disbursements	10,368	-	-	317,752	488,740
Cash and investments - ending	\$ 133,113	\$ 661	\$ 1,170	\$ 4,865,581	\$ 1,246,083

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	DOWNTOWN BID DISTRICT	REDEVELOPMENT COMM - TIF IV	AMERICA'S BEST COMMUNITIES FUND	REDEVELOPMENT AUTHORITY SERIES A	REDEVELOPMENT AUTHORITY SERIES B
Cash and investments - beginning	\$ 324,779	\$ 722,332	\$ 44,398	\$ 851,034	\$ 5,869,031
Receipts:					
Taxes	-	154,721	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	76,008	-	-	59	155,869
Total receipts	76,008	154,721	-	59	155,869
Disbursements:					
Personal services	600	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	102,137	-	44,398	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	43,530	-	851,058	6,002,540
Utility operating expenses	-	-	-	-	-
Other disbursements	798	-	-	-	-
Total disbursements	103,535	43,530	44,398	851,058	6,002,540
Excess (deficiency) of receipts over disbursements	(27,527)	111,191	(44,398)	(850,999)	(5,846,671)
Cash and investments - ending	\$ 297,252	\$ 833,523	\$ -	\$ 35	\$ 22,360

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	PAVEMENT MANAGEMENT GRANT	OCRA GRANT (PLAZA 618)	RDA SERIES A - RESERVE FUND	RDA SERIES A - SINKING FUND	RDA SERIES B - RESERVE FUND	RDA SERIES B - SINKING FUND
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	104,322	50,000	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	36,000	217,434	229,877	103,139	799,294	532,745
Total receipts	140,322	267,434	229,877	103,139	799,294	532,745
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	145,543	-	-	325	-	325
Debt service - principal and interest	-	-	-	102,708	-	354,750
Capital outlay	-	267,434	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	325	-	-	-
Total disbursements	145,543	267,434	325	103,033	-	355,075
Excess (deficiency) of receipts over disbursements	(5,221)	-	229,552	106	799,294	177,670
Cash and investments - ending	\$ (5,221)	\$ -	\$ 229,552	\$ 106	\$ 799,294	\$ 177,670

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	MASTER PLAN	RESTRICTED DONATIONS	MAYOR'S VETERANS COMM	GOOD SAMARITAN FUND	EMPLOYEE BENEFIT FUND	WATER DEPRECIATION
Cash and investments - beginning	\$ 5,413	\$ 200,414	\$ 7,424	\$ 438	\$ 3,028,775	\$ 21,249
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	42,073
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	557,932	1,555	4,585	2,188,394	494,986
Total receipts	-	557,932	1,555	4,585	2,188,394	537,059
Disbursements:						
Personal services	-	3,820	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	1,827,483	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	66,716	-	-	-	405,120
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	13,006	700	3,970	27,706	-
Total disbursements	-	83,542	700	3,970	1,855,189	405,120
Excess (deficiency) of receipts over disbursements	-	474,390	855	615	333,205	131,939
Cash and investments - ending	\$ 5,413	\$ 674,804	\$ 8,279	\$ 1,053	\$ 3,361,980	\$ 153,188

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	WATER METER DEPOSITS	TRANSPORTE TRIANGLE ROUTE	IFA POWERHOUSE GRANT	G.O. BONDS OF 2012	2012 GO BOND PROCEEDS	BOND-DEBT SERVICE
Cash and investments - beginning	\$ 267,715	\$ (24,671)	\$ 1,123	\$ 102,328	\$ 1,286,318	\$ 114,425
Receipts:						
Taxes	-	-	-	146,721	-	106,991
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	10,158	-	7,418
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	238,604	55,382	-	-	-	-
Total receipts	238,604	55,382	-	156,879	-	114,409
Disbursements:						
Personal services	-	32,663	-	-	-	-
Supplies	-	9,388	-	-	-	-
Other services and charges	-	28	-	750	2,385	400
Debt service - principal and interest	-	-	-	165,776	-	173,009
Capital outlay	-	-	-	-	1,060,233	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	16,679	-	-	-	-	-
Total disbursements	16,679	42,079	-	166,526	1,062,618	173,409
Excess (deficiency) of receipts over disbursements	221,925	13,303	-	(9,647)	(1,062,618)	(59,000)
Cash and investments - ending	\$ 489,640	\$ (11,368)	\$ 1,123	\$ 92,681	\$ 223,700	\$ 55,425

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	FIRE EQUIP LEASE BONDS	FIRE LEASE REFUNDING BONDS	CMAQ	MAURICE FOX TRUST	ELEANOR FOX TRUST	FOX MEMORIAL TRUST
Cash and investments - beginning	\$ 164,389	\$ -	\$ -	\$ 219,897	\$ 114,378	\$ 38,949
Receipts:						
Taxes	-	204,638	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	14,174	22,175	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	112,500	276,889	5,544	11,395	2,987	2,813
Total receipts	112,500	495,701	27,719	11,395	2,987	2,813
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	237,000	-	-	-	-
Capital outlay	-	-	27,719	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	276,889	112,500	-	6,913	14,106	1,368
Total disbursements	276,889	349,500	27,719	6,913	14,106	1,368
Excess (deficiency) of receipts over disbursements	(164,389)	146,201	-	4,482	(11,119)	1,445
Cash and investments - ending	\$ -	\$ 146,201	\$ -	\$ 224,379	\$ 103,259	\$ 40,394

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	PR- DIRECT DEPOSIT	PAYROLL NET SALARIES	PAYROLL - FEDERAL	PAYROLL - FICA	PAYROLL - MEDICARE	PAYROLL - STATE W/H
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	5,236,902	1,332,196	1,039,688	608,064	262,377	303,339
Total receipts	<u>5,236,902</u>	<u>1,332,196</u>	<u>1,039,688</u>	<u>608,064</u>	<u>262,377</u>	<u>303,339</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	5,236,902	1,332,196	1,039,688	608,064	262,377	303,339
Total disbursements	<u>5,236,902</u>	<u>1,332,196</u>	<u>1,039,688</u>	<u>608,064</u>	<u>262,377</u>	<u>303,339</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	PAYROLL - COUNTY W/H	PAYROLL - PERF	PR AFLAC - POST TAX	AFLAC - PRE-TAX	AMERICAN FIDELITY PRE-TAX	AMERICAN FIDELITY POST-TAX
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	87,450	11,810	2,528	9,987	409	29,049
Total receipts	<u>87,450</u>	<u>11,810</u>	<u>2,528</u>	<u>9,987</u>	<u>409</u>	<u>29,049</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	87,450	11,810	2,528	9,987	409	29,049
Total disbursements	<u>87,450</u>	<u>11,810</u>	<u>2,528</u>	<u>9,987</u>	<u>409</u>	<u>29,049</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	AMERICAN FIDELITY HSA	AMERICAN FIDELITY PRE-TAX 125	PAYROLL- HARTFORD LOAN	BOSTON MUTUAL LIFE	PAYROLL- HARTFORD 457	CENTIER BANK
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	31,435	8,542	16,841	28,597	133,952	15,846
Total receipts	31,435	8,542	16,841	28,597	133,952	15,846
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	31,435	8,542	16,841	28,597	133,952	15,846
Total disbursements	31,435	8,542	16,841	28,597	133,952	15,846
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	HORIZON - HEALTH SAVINGS	PAYROLL- GOOD SAMARITAN	CITY OF LP INSURANCE	LPSB-HEALTH SAVINGS	FOP #54	IN CHILD SUPPORT FEE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	550	4,585	166,449	76,294	5,145	385
Total receipts	<u>550</u>	<u>4,585</u>	<u>166,449</u>	<u>76,294</u>	<u>5,145</u>	<u>385</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	550	4,585	166,449	76,294	5,145	385
Total disbursements	<u>550</u>	<u>4,585</u>	<u>166,449</u>	<u>76,294</u>	<u>5,145</u>	<u>385</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	FOP LABOR COUNCIL	GUARDIAN - LIFE	LP FIREFIGHTERS LOCAL 363	LP FIREFIGHTERS PAC DUES	PAYROLL - LP CIRCUIT COURT	LP MUN.EMPLOYEE CRT UNION
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	5,037	3,425	20,430	2,592	600	402,545
Total receipts	5,037	3,425	20,430	2,592	600	402,545
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	5,037	3,425	20,430	2,592	600	402,545
Total disbursements	5,037	3,425	20,430	2,592	600	402,545
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	LP SUPERIOR COURT #4	CHILD SUPPORT	LP SUPERIOR COURT #3	CONTINENTAL AMERICAN INS	MONUMENTAL LIFE INSURANCE	CLERK - ST. JOSEPH SUPERIOR COURT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	816	58,786	3,091	1,828	1,610	576
Total receipts	<u>816</u>	<u>58,786</u>	<u>3,091</u>	<u>1,828</u>	<u>1,610</u>	<u>576</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	816	58,786	3,091	1,828	1,610	576
Total disbursements	<u>816</u>	<u>58,786</u>	<u>3,091</u>	<u>1,828</u>	<u>1,610</u>	<u>576</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	ECMC GARNISHMENT	STANDING CHAPTER 13	FLEXIBLE SPENDING ACCOUNT	YMCA	SEWAGE - UNDERGROUND STORAGE TANK INSURANCE	UTILITIES - CREDIT CARDS
Cash and investments - beginning	\$ -	\$ -	\$ 5,058	\$ -	\$ 30,042	\$ 50
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	243	10,620	-	20,483	35,034	483,977
Total receipts	243	10,620	-	20,483	35,034	483,977
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	243	10,620	-	20,483	-	483,977
Total disbursements	243	10,620	-	20,483	-	483,977
Excess (deficiency) of receipts over disbursements	-	-	-	-	35,034	-
Cash and investments - ending	\$ -	\$ -	\$ 5,058	\$ -	\$ 65,076	\$ 50

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	UTILITIES ACH FUND	PAYROLL EXTRA	WW SRF BOND & INTEREST	WW SRF DEBT SERVICE	SEWAGE FUND	SEWAGE DEPRECIATION
Cash and investments - beginning	\$ 896	\$ 1,945	\$ 187,773	\$ 1,284,491	\$ 1,028,230	\$ 400,008
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	4,207,085	41,330
Other receipts	1,016,660	1,645	563,951	1,650	212,283	249,979
Total receipts	1,016,660	1,645	563,951	1,650	4,419,368	291,309
Disbursements:						
Personal services	-	-	-	-	1,079,370	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	72,023	-
Debt service - principal and interest	-	-	618,161	-	-	-
Capital outlay	-	-	-	-	7,084	288,202
Utility operating expenses	-	-	-	-	1,746,705	-
Other disbursements	730,504	1,645	-	-	1,759,939	-
Total disbursements	730,504	1,645	618,161	-	4,665,121	288,202
Excess (deficiency) of receipts over disbursements	286,156	-	(54,210)	1,650	(245,753)	3,107
Cash and investments - ending	\$ 287,052	\$ 1,945	\$ 133,563	\$ 1,286,141	\$ 782,477	\$ 403,115

CITY OF LAPORTE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	SEWAGE BOND RETIREMENT	2015 SEWAGE CONSTRUCTION BONDS	WATER FUND	WATER SRF BOND & INTEREST	WATER SRF DEBT SERVICE	Totals
Cash and investments - beginning	\$ 443,094	\$ 4,237,374	\$ 1,625,471	\$ 242,157	\$ 228,973	\$ 40,603,422
Receipts:						
Taxes	-	-	-	-	-	10,157,704
Licenses and permits	-	-	-	-	-	133,589
Intergovernmental	-	-	-	-	-	8,622,465
Charges for services	-	-	-	-	-	2,086,570
Fines and forfeits	-	-	-	-	-	73,620
Utility fees	-	-	3,538,452	-	-	7,786,867
Other receipts	725,190	3,555	46,498	251,177	25,761	25,694,550
Total receipts	725,190	3,555	3,584,950	251,177	25,761	54,555,365
Disbursements:						
Personal services	-	-	1,066,992	-	-	15,081,741
Supplies	-	-	-	-	-	478,705
Other services and charges	-	-	75,958	-	-	7,870,574
Debt service - principal and interest	721,172	-	-	323,484	-	3,504,090
Capital outlay	-	2,259,311	9,914	-	-	13,673,828
Utility operating expenses	-	-	1,515,200	-	-	3,261,905
Other disbursements	-	-	1,395,833	-	-	16,933,579
Total disbursements	721,172	2,259,311	4,063,897	323,484	-	60,804,422
Excess (deficiency) of receipts over disbursements	4,018	(2,255,756)	(478,947)	(72,307)	25,761	(6,249,057)
Cash and investments - ending	\$ 447,112	\$ 1,981,618	\$ 1,146,524	\$ 169,850	\$ 254,734	\$ 34,354,365

CITY OF LAPORTE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2016

Government or Enterprise	Accounts Payable	Accounts Receivable
Wastewater	\$ 227,030	\$ 317,109
Water	58,217	253,404
Governmental activities	1,349,244	267,121
Totals	\$ 1,634,491	\$ 837,634

CITY OF LAPORTE
SCHEDULE OF LEASES AND DEBT
December 31, 2016

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
LaPorte Fire Station Building Corporation	Fire Station/Equipment	\$ 248,500	01/15/2016	01/15/2026
LaPorte Redevelopment Authority	Downtown TIF	351,500	02/07/2012	02/01/2022
LaPorte Redevelopment Authority	Thomas Rose Industrial Park	237,000	05/07/2015	02/01/2036
LaPorte Redevelopment Authority	Downtown TIF	<u>225,000</u>	05/07/2015	02/01/2036
Total of annual lease payments		<u>\$ 1,062,000</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	G.O. Refunding Bonds of 2004 - Police Station		\$ 85,000	\$ 86,849
General obligation bonds	G.O. Bonds of 2012		4,625,000	165,540
Revenue bonds	Redevlepmnt District Bond, Series 2017		2,000,000	14,438
Revenue bonds	Redevlepmnt - Eastgate TIF III		852,777	260,000
Revenue bonds	Redevlepmnt District Bonds of 2007 - Landfill		<u>1,040,000</u>	<u>354,490</u>
Total governmental activities			<u>8,602,777</u>	<u>881,317</u>
Wastewater:				
Revenue bonds	Sewage Works Revenue Bonds of 2000 - Series A - SRF		624,000	169,840
Revenue bonds	Sewage Works Revenue Bonds of 2001 - Series B - SRF		1,780,000	394,300
Revenue bonds	Sewage Works Revenue Bonds of 2007 - Series A		1,205,000	236,846
Revenue bonds	Sewage Works Refunding Revenue Bonds 2015		<u>9,345,000</u>	<u>481,936</u>
Total Wastewater			<u>12,954,000</u>	<u>1,282,922</u>
Water:				
Revenue bonds	Waterworks Revenue Bonds of 2011 - SRF		<u>3,030,000</u>	<u>248,419</u>
Totals			<u>\$ 24,586,777</u>	<u>\$ 2,412,658</u>

CITY OF LAPORTE
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2016

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	\$ 2,288,470
Infrastructure	6,381,001
Buildings	9,292,836
Improvements other than buildings	3,576,609
Machinery, equipment, and vehicles	7,578,341
Construction in progress	<u>4,686,527</u>
 Total governmental activities	 <u>33,803,784</u>
Wastewater:	
Land	169,487
Infrastructure	23,746,204
Buildings	25,013,325
Improvements other than buildings	405,091
Machinery, equipment, and vehicles	791,363
Construction in progress	<u>217,585</u>
 Total Wastewater	 <u>50,343,055</u>
Water:	
Land	275,578
Infrastructure	27,409,614
Buildings	2,912,255
Improvements other than buildings	60,243
Machinery, equipment, and vehicles	566,318
Construction in progress	<u>296,311</u>
 Total Water	 <u>31,520,319</u>
 Total capital assets	 <u>\$ 115,667,158</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



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

TO: THE OFFICIALS OF THE CITY OF LAPORTE, LAPORTE COUNTY, INDIANA

Report on Compliance for the Major Federal Program

We have audited the City of LaPorte's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2016. The City's major federal program is 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 the City's major federal program 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 the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the 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 its major federal program for the year ended December 31, 2016.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2016-002. Our opinion on the major federal program is not modified with respect to these matters.

The City's response to the noncompliance 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 compliance and, accordingly, we express no opinion on the response.

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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the 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 a 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 a 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2016-002 and 2016-003, that we consider to be material weaknesses.

The City's response to the internal control over compliance 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 compliance and, accordingly, we express no opinion on the response.

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

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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 prepared by management of the City. The schedule and notes are presented as intended by the City.

CITY OF LAPORTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2016

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
Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/ Entitlement Grants					
	Direct				
Community Development Block Grant		14.218	B-08-MC-18-0021	\$ -	\$ 1,882
Community Development Block Grant		14.218	B-11-MC-18-0021	-	5,011
Community Development Block Grant		14.218	B-12-MC-18-0021	-	2,111
Community Development Block Grant		14.218	B-13-MC-18-0021	-	162,790
Community Development Block Grant		14.218	B-14-MC-18-0021	-	102,206
Community Development Block Grant		14.218	B-15-MC-18-0021	33,709	314,518
Community Development Block Grant		14.218	B-16-MC-18-0021	1,494	7,066
Total - CDBG - Entitlement Grants Cluster				35,203	595,584
Total - Department of Housing and Urban Development				35,203	595,584
Department of Transportation					
Highway Planning and Construction Cluster					
Highway Planning and Construction					
Indiana Department of Transportation					
CMAQ		20.205	EDS#A249-14-320026A	-	22,175
Enbridge Chessie Trail		20.205	EDS#A249-15-320108A	-	100,586
Bio-Diesel/E-85 (General)		20.205	EDS#A249-15-L150064	-	20,952
Bio-Diesel/E-85 (Park)		20.205	EDS#A249-15-L150064	-	712
Pavement Management Grant		20.205	EDS#A249-16-L150172	-	104,322
Total - Highway Planning and Construction				-	248,747
Total - Highway Planning and Construction Cluster				-	248,747
Federal Transit Cluster					
Federal Transit_Formula Grants					
Transit					
Northwestern Indiana Regional Planning Commission					
		20.507	IN-90-X645-00	-	46,667
			IN-90-X669-00	-	171,537
Total - Federal Transit_Formula Grants				-	218,204
Total - Federal Transit Cluster				-	218,204
Highway Safety Cluster					
Alcohol Impaired Driving Countermeasures					
Incentive Grants I					
Operation Pullover					
		20.601	EDS#D3-16-10155	-	22,500
Total - Highway Safety Cluster				-	22,500
Total - Department of Transportation				-	489,451
Department of Homeland Security					
Assistance to Firefighters Grant					
FEMA Assistance to Firefighter Grant					
	Direct	97.044	EMW-2014-FO-04362	-	41,455
Total - Department of Homeland Security				-	41,455
Total federal awards expended				\$ 35,203	\$ 1,126,490

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

CITY OF LAPORTE
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, 2016. 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*. 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-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF LAPORTE
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 program:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	yes

Identification of Major Program and type of auditor's report issued on compliance for it:

<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
CDBG - Entitlement Grants Cluster	Unmodified

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

Auditee qualified as low-risk auditee?	no
--	----

Section II - Financial Statement Findings

FINDING 2016-001

Subject: Financial Transactions and Reporting
Audit Finding: Material Weakness

Repeat Finding

This is a repeat finding from the immediate prior year regarding receipts. The prior year finding number was 2015-001.

Condition

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

CITY OF LAPORTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Receipts

Several departments of the City collected funds and submitted them to the Clerk-Treasurer for depositing and recording. Not all departments provided the Clerk-Treasurer with supporting documentation for the amounts received. There was no documentation to verify the transfer of custodianship of the funds from the departments to the Clerk-Treasurer's office.

Segregation of Duties

Two employees rotated making deposits weekly, but one employee issued all the receipts. Due to the rotation, the same employee who issued the receipts also took the deposit to the bank. Both employees counted and verified the collections received; however, there was no evidence of this procedure presented for audit.

Review of Financial Transaction Recording

There was no process or procedure in place to ensure that receipts or disbursements were reviewed to ensure that they were properly recorded in the correct fund or for the correct amount. Employees recorded transactions individually without an oversight or review process.

Context

The lack of internal controls was systemic throughout the audit period.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

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

Effect

The failure to implement controls could have enabled material misstatements or irregularities to remain undetected.

CITY OF LAPORTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

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

FINDING 2016-002

Subject: Community Development Block Grants/Entitlement Grants - Reporting

Federal Agency: Department of Housing and Urban Development

Federal Program: Community Development Block Grants/Entitlement Grants

CFDA Number: 14.218

Federal Award Numbers and Years (or Other Identifying Numbers): B-13-MC-18-0021, B-14-MC-18-0021,
B-15-MC-18-0021, B-16-MC-18-0021

Compliance Requirement: Reporting

Audit Findings: Material Weakness, Other Matters

Condition

An effective internal control system was not in place at the City in order to ensure compliance with requirements related to the grant agreement and the Reporting compliance requirement.

The City did not have internal controls in place to ensure that the necessary supporting documentation was obtained to properly complete and review the quarterly Federal Financial Reports (reports). The City did not use supporting documentation for the receipts and disbursements portion of the quarterly reports.

Context

The lack of controls and the noncompliance were systemic issues, which occurred throughout the audit period. Two of the four quarterly reports contained errors. The first quarter overstated receipts and disbursements by \$17,682 and \$68,082, respectively; the fourth quarter understated receipts and disbursements by \$151,995 and \$29,238, respectively.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

CITY OF LAPORTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.302(b)(2) states in part: "Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.327 Financial reporting . . ."

Cause

Management had not developed a system of internal controls to ensure compliance with the Reporting compliance requirement.

Effect

The failure to establish an effective internal control system enabled material noncompliance to go undetected. Noncompliance with the grant agreement and the compliance requirement could have resulted in the loss of federal funds to the City.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the City's management establish effective controls to ensure that proper supporting documentation is maintained and used to ensure compliance with the Reporting compliance requirement.

Views of Responsible Officials

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

FINDING 2016-003

Subject: Community Development Block Grants/Entitlement Grants - Subrecipient Monitoring

Federal Agency: Department of Housing and Urban Development

Federal Program: Community Development Block Grants/Entitlement Grants

CFDA Number: 14.218

Federal Award Numbers and Years (or Other Identifying Numbers): B-13-MC-18-0021, B-14-MC-18-0021,
B-15-MC-18-0021, B-16-MC-18-0021

Compliance Requirement: Subrecipient Monitoring

Audit Finding: Material Weakness

Condition

An effective internal control system was not in place at the City in order to ensure compliance with requirements related to the grant agreement and the Subrecipient Monitoring compliance requirement.

The City did not have internal controls in place to ensure that the required Federal Award Identification information was provided to its subrecipients. In addition, controls were not in place to guarantee that subrecipients had Single Audits performed so that timely corrective action could be taken on any findings noted in an audit.

CITY OF LAPORTE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Context

The lack of controls were systemic issues throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Cause

Management had not developed a system of internal controls to ensure compliance with the Subrecipient Monitoring compliance requirement.

Effect

The failure to establish an effective internal control system placed the City at risk of noncompliance with the grant agreement and the compliance requirement. The lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirement and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the City's management establish effective controls to ensure compliance with the Subrecipient Monitoring compliance requirement.

Views of Responsible Officials

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

AUDITEE-PREPARED DOCUMENTS

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



Office of the Clerk Treasurer, 801 Michigan Avenue, La Porte, Indiana 46350
Telephone 219-362-9512 FAX 219-362-8955 E-mail: tludlow@cityoflaporte.com Website: www.cityoflaporte.com

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Section II Financial Statement Findings

FINDING 2015-001

Fiscal year in which the finding initially occurred: 2015
Pass-Through Entity, if pass-through or Federal Grantor Agency, if direct:
Contact Person Responsible for Corrective Action:
Contact Phone Number:

Status of Audit Finding:

Annual Financial Reports

Starting in February of 2017 we uploaded the year-end report from Keystone and printed it out, It was reviewed by the Clerk-Treasurer and the Deputy Clerk-Treasurer and then the Clerk-Treasurer then submitted into gateway. We documented our review by signing the attestation form on February 24, 2017.

Receipts

We are in the process of continuing to work with all departments on obtaining source documents. We are diligently seeking input from departments on how to best gather the necessary information to have on file.


(Signature)

Clerk-Treasurer
(Title)

November 7, 2017
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)

Section III Federal Award Findings and Questioned Costs

FINDING 2015-002

Fiscal year in which the finding initially occurred: 2015

Pass-through Entity, if pass-through or Federal Grantor Agency, if direct: Department of Housing and Urban Development

Contact Person Responsible for Corrective Action:

Contact Phone Number:

Status of Audit Finding:

We have revised our "City of LaPorte, Indiana CDBG Standard Operating Procedures Manual" to include a procedure to verify all vendors including sub recipients are not suspended or debarred to ensure federal compliance with suspension and debarment grant requirements. The policy states:

"When entering into contract of covered transaction with another entity or person, the City of LaPorte must verify that the entity or person is not suspended or debarred from an activity using federal funds.

Prior to awarding a contract, the CDBG Program Manager will verify using the SAM Exclusions (www.Sam.gov), that the entity or person is not excluded from entering into a contract or covered transaction with the City of LaPorte CDBG program. The page on the website confirming the eligibility of the entity or person will be printed out and stored in an ELPS folder for future use or review.

This action is required for contracts involving all sub recipients, contractors, subcontractors, consultants, and public service agencies/organizations."


(Signature)

Clerk-Treasurer
(Title)

November 7, 2017
(Date)

(Note to Officials: To determine what audit findings are required to be reported in the Summary Schedule of Prior Audit Findings, please see U.S. Office of Management and Budget (OMB), Circular A-133, Subpart C, section .315(b) for audit periods beginning before December 26, 2014. For audit periods beginning after December 26, 2014, please see 2 CFR §200.511(b).)



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CORRECTIVE ACTION PLAN

FINDING 2016-001


Contact Person Responsible for Corrective Action: Teresa Ludlow, Clerk-Treasurer
Contact Phone Number: (219) 362-9512

Views of Responsible Official: Teresa L. Ludlow

Description of Corrective Action Plan:

Due to the timing of the 2015 State Board of Accounts Audit, the City of LaPorte did not have sufficient time to implement all the changes necessary for internal controls with regard to receipts and expenditures. The City of LaPorte is currently working on updating our Internal Control Policy to require supporting source documents for daily deposits; and checks and balances pertaining to expenditures. The Clerk-Treasurer or her designee will review the check registers against the claim docket signed by the Board of Works and the APV Transaction List to verify all claims are expended from the appropriate accounts and to the right vendor.

Anticipated Completion Date: June 30, 2018


(Signature)

Clerk-Treasurer

(Title)

December 18, 2017

(Date)

City of LaPorte
INDIANA



OFFICE OF COMMUNITY DEVELOPMENT AND PLANNING
801 MICHIGAN AVENUE
LA PORTE, INDIANA 48350
PH. (219) 362-8260 FAX (219) 325-0656

CORRECTIVE ACTION PLAN

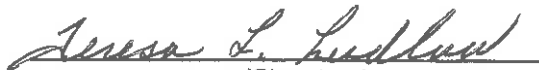
FINDING 2016-002 REPORTING

Contact Person Responsible for Corrective Action: Mary Ann Richards, CDBG Program Manager
Contact Phone Number: (219) 362-8260

Views of Responsible Official: We concur with the finding. The 2016 audit conducted by the Indiana State Board of Accounts was completed in December 2017. Thus, implementation of recommendations and actions to resolve findings will begin December 2017.

Description of Corrective Action Plan: Effective immediately, the City of LaPorte Community Development Block Grant program will begin using a Keystone ledger report that shows the income and expenditures for each quarter instead of monthly appropriation reports when completing the Standard Form 425, Federal Financial Report. The Office of Clerk/Treasurer will provide the ledger report to the CDBG Program Manager. Upon completion of the SF 425, the quarterly ledger report will be attached to the SF 425 and provided to the Mayor of the City of LaPorte for review prior to approval. All approved Standard Form 425s and supporting documentation will be provided to the Indiana Field Office of the U.S. Department of Housing and Urban Development within 30 days after the close of the quarter as required.

Anticipated Completion Date: Immediately


(Signature)

Clerk-Treasurer

(Title)

December 18, 2017

(Date)



OFFICE OF COMMUNITY DEVELOPMENT AND PLANNING
801 MICHIGAN AVENUE
LA PORTE, INDIANA 46350
PH. (219) 362-8260 FAX (219) 325-0656

CORRECTIVE ACTION PLAN

FINDING 2016-003 SUBRECIPIENT MONITORING

Contact Person Responsible for Corrective Action: Mary Ann Richards, CDBG Program Manager
Contact Phone Number: (219) 362-8260

Views of Responsible Official: We concur with the finding. The 2016 audit conducted by the Indiana State Board of Accounts was completed in December 2017. Thus, implementation of recommendations and actions to resolve findings will begin December 2017.

Description of Corrective Action Plan: The City of LaPorte Community Development Block Grant program will provide Federal Award Identification within the formal award letter to subrecipients. This Federal Award Identification shall include: the subrecipient name, subrecipient unique entity identifier; the federal award identification number (FAIN); the federal award date; the period of performance start and end date, the CDFA number and name; and an identification if the award is for research and redevelopment.

At the time of the subrecipient's application for CDBG funding, the Community Development Block Grant program will require copies of the most recent single audit of the subrecipient; an explanation of any findings included within the audit; and an explanation of how corrections shall be or were made to the finding. Audits will be reviewed before making an award. Subrecipients receiving more than \$750,000 in total federal funds for one year are required to have a federal audit in compliance with 2 CFR 200.

Anticipated Completion Date: Immediately

Aeresa L. Ludlow
(Signature)

Clerk-Treasurer
(Title)

December 18, 2017
(Date)

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/>.