

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

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CITY OF CROWN POINT
LAKE COUNTY, INDIANA

January 1, 2017 to December 31, 2017



FILED
12/06/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Kristie L. Dressel	01-01-16 to 12-31-19
Mayor	David D. F. Uran	01-01-16 to 12-31-19
President of the Board of Public Works	David D. F. Uran	01-01-17 to 12-31-18
President Pro Tempore of the Common Council	Laura Sauerman Chad Jeffries	01-01-17 to 12-31-17 01-01-18 to 12-31-18



STATE OF INDIANA
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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Crown Point (City), which comprises the financial position and results of operations for the year ended December 31, 2017, 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 (IC 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, 2017.

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, 2017, 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 October 24, 2018, 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 solely 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 effectiveness of the City's 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

October 24, 2018



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Crown Point (City), which comprises the financial position and results of operations for the year ended December 31, 2017, and the related notes to the financial statement, and have issued our report thereon dated October 24, 2018, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


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*.

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

October 24, 2018

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

CITY OF CROWN POINT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
GENERAL FUND	\$ 1,737,665	\$ 20,677,637	\$ 18,955,772	\$ 3,459,530
MOTOR VEHICLE	560,677	2,832,584	2,533,106	860,155
LOCAL ROAD & STREET	52,230	392,531	270,000	174,761
NON REV. PARK FUND	110,711	579,548	535,956	154,303
LOCAL LAW ENF. CONT. EDUC	31,100	19,633	42,355	8,378
DEFERRAL PROGRAM FUND	1	50,082	41,027	9,056
RIVERBOAT ADM. TAX FUND	280,162	292,422	415,085	157,499
USER FEE FUND	-	51,359	51,358	1
CEDIT-CTY ECON DEV TAX	770,552	724,485	248,793	1,246,244
ESCROW- EXCESS LEVY FD	1,091	-	-	1,091
MAJOR MOVES CONST. FUND	2,863	-	-	2,863
PUB.SAFETY- EXCESS WELFARE	173	-	-	173
CREDIT CARD FEES	25	-	-	25
CUMULATIVE CAPITAL DEV.	276,060	605,198	393,700	487,558
CP REDEV BOND CAPITAL FD	7,558	-	-	7,558
CUM. CAP II (RATE-EMS)	95,017	-	29,085	65,932
CUMULATIVE FIRE	264,079	61,959	108,019	218,019
GENERAL IMPROVEMENT FD.	7,881	12,006	11,209	8,678
CUMULATIVE CAPITAL IMP.	119,530	66,432	4,183	181,779
POLICE PENSION	637,823	510,944	528,108	620,659
FIRE PENSION	168,791	42,572	46,447	164,916
CAGIT/LOIT PUBLIC SAFETY	1,034,205	775,899	506,073	1,304,031
CUMULATIVE SEWER	107,676	-	23,384	84,292
PUBLIC WORKS DONATION FD	2,196	3,983	2,665	3,514
NON REV BUILDER TEST FEES	71,217	17,900	2,820	86,297
NON-REV -ECONOMIC DEV.	36,555	6,500	-	43,055
CP REDEV DEBT SERV RES	586,599	-	-	586,599
ST ANTHONY TIF BOND FUND	4	-	-	4
TOURISM FUND	5,951	4,725	5,670	5,006
GO BOND DEBT SERVICE	1,154	269,312	270,466	-
C.P. REDEVELOPMENT FUND	1,388,437	4,241,645	2,538,617	3,091,465
FIREFIGHTER'S GRANT FUND	825	-	-	825
RECYCLING & SOLID WASTE	106,156	191,765	83,856	214,065
G.O. BOND PROCEEDS FUND	151,272	-	4,763	146,509
SPORTSPLEX DEV & CONSTR	31,529	2,286,954	269,020	2,049,463
Court Supplemental CTAR-1	140,186	522,320	518,023	144,483
PYWH-PERF	15	-	-	15
SAUERMAN WOODS RES. DONA.	1,250	-	-	1,250
PYWH-SPECIAL INSURANCE	95	-	-	95
MISC. REFUNDS ESCROW	895	15,447	11,534	4,808
PYWH-FIRE PENSION II	299	-	-	299
HIGH MEADOWS ESCROW FUND	6,580	-	1,975	4,605
NON-REV. SPEC. EVENTS FD.	7,330	35,643	30,178	12,795
STATE INCOME TAX	45,483	568,929	568,480	45,932
POL. PEN- IND. GROSS	2,204	28,438	28,159	2,483
SENIOR DISC (HIDTA) FUND	122,431	100,000	97,667	124,764
DON-C.P. BEAUTIFICATION	855	-	-	855
FIRE PEN- IND. GROSS	184	2,276	2,270	190
PYWH-POLICE PENSION II	363	-	-	363
ADULT PROBATION SERV. FD.	10,928	26,450	37,378	-
DOG SUPPLY/MAINT DONATION	19,204	9,546	7,040	21,710
ESCROW-EDC	1,489	-	-	1,489
PYWH-COL. LIFE & ACCIDENT	408	-	-	408
GREENVIEW RECOVERY AGREE.	9,600	-	-	9,600
NON-REV RENTAL HOUSING	18,654	350	18,884	120
CEMETERY NON-REV. FUND	48,710	17,950	24,442	42,218
PYWH-MUNICIPAL INS.	443	-	-	443

CITY OF CROWN POINT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2017

Fund	Cash and Investments 01-01-17	Receipts	Disbursements	Cash and Investments 12-31-17
PARKS/PLAYGROUNDS ESCROW	42,800	-	-	42,800
MISC. SALES TAX	111	25,212	24,794	529
COUNTY COURT COSTS ESC.	2,315	18,778	18,734	2,359
PRINC & INTEREST-TIF BOND	77,190	1,249,446	1,323,548	3,088
NON-REV VEH/EQUIP PURCH	374,462	316,090	198,792	491,760
COURT RECORD PERPETUATION	29,600	4,810	490	33,920
PREPAID LEGAL ESCROW	136	811	878	69
NON REV. PARK GIFT FUND	3,303	-	91	3,212
DARE FUND DONATIONS	25,764	19,316	26,614	18,466
FIRE DEPT. DONATIONS	4,352	54,153	36,725	21,780
NON REV. POLICE FED SEIZ.	132,081	49,411	48,299	133,193
NON-REV SPRTSPLX LEASE	30,550	550	-	31,100
MAYOR'S ROUNDTABLE ESCROW	1	-	-	1
POLICE DONATIONS ESCROW	26,615	18,538	20,472	24,681
NON REV. HAZ MATERIALS	4,843	-	2,229	2,614
TANK IMP. ESCROW	144	-	-	144
PYWH-VISION INS.	978	9,215	8,524	1,669
PYWH-AFLAC	12,693	90,679	90,759	12,613
PYWH-AMER. BANKERS INS.	158	-	-	158
UNUM/CIGNA VOL INS ESCROW	1,437	15,576	16,706	307
EMP/RETIREE NON-REV INS.	3,631	4,386,612	4,329,570	60,673
CIVIL DEFENSE DONATIONS	11,600	2,200	2,959	10,841
L.C.DRUG FREE ALLIANCE GR	-	7,180	7,180	-
4TH FRIDAY ARTS GRANT	1	-	-	1
NON REV MUNICIPAL WHEEL T	-	29,461	-	29,461
LAKE CO. HIDTA PROGRAM	46,591	4,023,428	4,046,287	23,732
N/R MUNICIPAL MV LIC EXCS	-	941,527	677,276	264,251
ESCROW- PERPET. BLDG.IMP.FD	105,975	352,212	305,137	153,050
GRANT- L.C.DRUNK DRIV.TASK	186	-	-	186
HOMESTEAD RESTOR. DON.	100	-	-	100
LOIT SPECIAL DISTRIBUTION	7	1,000,000	1,000,007	-
CASH- STORMWATER O&M	561,163	943,711	769,073	735,801
CASH- STORMWATER DEBT SER	-	245,760	245,760	-
CASH- WASTEWATER O&M FUND	950,000	7,812,786	7,812,786	950,000
CASH- WW IMPROVEMT OTHER	1,246,835	1,136,575	-	2,383,410
WASTEWATER SRF 2015 TRUST	-	299,110	299,110	-
WASTEWATER SRF 2017 TRUST	-	4,667,664	4,667,664	-
CASH- WW IMPROVE REPLACE	352	-	-	352
CASH- WW DEBT SERV RES	1,079,547	69,740	-	1,149,287
CASH WW UTIL CONSTR ACCT	85,333	100	-	85,433
CASH ON HAND-WW PETTY	800	-	-	800
CASH- WW B&I SINKING FUND	150,031	1,162,098	1,062,496	249,633
CASH- WATER O&M FUND	950,000	8,627,482	8,627,482	950,000
CASH- WATER HYDRANT DEP	10,299	750	-	11,049
CASH- WTR DEPR/IMPR FUND	9,866,191	4,500,000	4,896,334	9,469,857
CASH WATER UTIL CONSTRUCTION ACT	5,776	-	-	5,776
CASH ON HAND-WATER PETTY	600	-	-	600
CASH- WATER B&I SINKING	448,594	937,392	988,175	397,811
CASH- WATER DEBT SERV RES	628,581	-	-	628,581
CASH- 2014 BOND PROCEEDS	261	-	-	261
CASH- WTR NEW CONS DEP	15,889	1,750	-	17,639
Totals	<u>\$ 26,023,247</u>	<u>\$ 79,065,547</u>	<u>\$ 70,822,518</u>	<u>\$ 34,266,276</u>

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

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Taxes. 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 CROWN POINT
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.

Penalties. Amounts received from late payment fees.

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 CROWN POINT
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 CROWN POINT
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 CROWN POINT
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.

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.

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

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. Subsequent Events

Beacon Hill Project

On May 7, 2018, the Common Council approved the issuance of Economic Development Revenue Bonds in the maximum amount of \$25,500,000 for the Beacon Hill Project. This project is for the construction of roadways, storm water and utility infrastructure, and a round-about. These bonds have not been issued as of the date of this audit report.*

Bulldog Park

The City issued a \$4,800,000 Bond Anticipation Note (BAN) on September 6, 2018, for the construction of a facility to be called Bulldog Park. The facility will include a band shell/theatre, ice rink, parking lot, office space for special events staff, and a new civic center. The BAN will mature on February 1, 2023, and carries an interest rate of 2.94 percent.*

*The items above were supported by unanimous vote from the Common Council, Board of Public Works, and Redevelopment Commission. Minutes are available in the Clerk's office on the above actions.

2018 Waterworks Revenue Bonds

The Common Council introduced a bond ordinance on October 1, 2018, that approved the issuance of up to \$23,000,000 of Waterworks Revenue Bonds. The bonds would be issued to fund additions, improvements, and extensions to the City's Waterworks. The Common Council approved the bond ordinance on October 22, 2018. The City expects to issue the bonds in series, with the first series expected to be issued before December 31, 2018.**

CITY OF CROWN POINT
NOTES TO FINANCIAL STATEMENT
(Continued)

Water Rate Increase

The Common Council introduced a water rate ordinance on October 1, 2018, that approves an increase in water rates for users of the City's Waterworks. The rate ordinance approves a 10 percent increase in water rates effective upon adoption of the rate ordinance and additional 10 percent increases effective on July 1, 2019 and 2020. The Common Council approved the rate ordinance on October 22, 2018.**

**The above were supported by unanimous vote from the Common Council and Board of Public Works. Minutes are available in the Clerk's office on the above actions.

Note 8. Other Postemployment Benefits

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

OTHER INFORMATION - UNAUDITED

The City's Annual Financial Report information can be found on the Indiana Gateway for Government Units 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 CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	GENERAL FUND	MOTOR VEHICLE	LOCAL ROAD & STREET	NON REV. PARK FUND	LOCAL LAW ENF. CONT. EDUC	DEFERRAL PROGRAM FUND
Cash and investments - beginning	\$ 1,737,665	\$ 560,677	\$ 52,230	\$ 110,711	\$ 31,100	\$ 1
Receipts:						
Taxes	9,059,530	1,614,061	-	-	-	-
Licenses and permits	1,109,242	-	-	-	13,590	-
Intergovernmental receipts	1,136,823	1,194,366	392,531	-	-	-
Charges for services	3,718,608	-	-	579,548	4,763	-
Fines and forfeits	85,793	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	5,567,641	24,157	-	-	1,280	50,082
Total receipts	20,677,637	2,832,584	392,531	579,548	19,633	50,082
Disbursements:						
Personal services	9,840,782	1,355,082	-	117,204	-	41,027
Supplies	374,442	361,348	-	156,091	16,826	-
Other services and charges	3,957,914	497,230	270,000	254,365	25,529	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	266,951	319,446	-	2,684	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	4,515,683	-	-	5,612	-	-
Total disbursements	18,955,772	2,533,106	270,000	535,956	42,355	41,027
Excess (deficiency) of receipts over disbursements	1,721,865	299,478	122,531	43,592	(22,722)	9,055
Cash and investments - ending	\$ 3,459,530	\$ 860,155	\$ 174,761	\$ 154,303	\$ 8,378	\$ 9,056

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	RIVERBOAT ADM. TAX FUND	USER FEE FUND	CEDIT-CTY ECON DEV TAX	ESCROW- EXCESS LEVY FD	MAJOR MOVES CONST. FUND	PUB.SAFETY- EXCESS WELFARE	CREDIT CARD FEES
Cash and investments - beginning	\$ 280,162	\$ -	\$ 770,552	\$ 1,091	\$ 2,863	\$ 173	\$ 25
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	292,422	-	724,485	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	51,359	-	-	-	-	-
Total receipts	292,422	51,359	724,485	-	-	-	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	415,085	-	248,793	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	51,358	-	-	-	-	-
Total disbursements	415,085	51,358	248,793	-	-	-	-
Excess (deficiency) of receipts over disbursements	(122,663)	1	475,692	-	-	-	-
Cash and investments - ending	\$ 157,499	\$ 1	\$ 1,246,244	\$ 1,091	\$ 2,863	\$ 173	\$ 25

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CUMULATIVE CAPITAL DEV.	CP REDEV BOND CAPITAL FD	CUM. CAP II (RATE-EMS)	CUMULATIVE FIRE	GENERAL IMPROVEMENT FD.	CUMULATIVE CAPITAL IMP.
Cash and investments - beginning	\$ 276,060	\$ 7,558	\$ 95,017	\$ 264,079	\$ 7,881	\$ 119,530
Receipts:						
Taxes	600,646	-	-	56,373	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	4,275	-	-	5,586	-	66,432
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	277	-	-	-	12,006	-
Total receipts	605,198	-	-	61,959	12,006	66,432
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	393,700	-	-	108,019	-	4,183
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	29,085	-	11,209	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	393,700	-	29,085	108,019	11,209	4,183
Excess (deficiency) of receipts over disbursements	211,498	-	(29,085)	(46,060)	797	62,249
Cash and investments - ending	\$ 487,558	\$ 7,558	\$ 65,932	\$ 218,019	\$ 8,678	\$ 181,779

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	POLICE PENSION	FIRE PENSION	CAGIT/LOIT PUBLIC SAFETY	CUMULATIVE SEWER	PUBLIC WORKS DONATION FD	NON REV BUILDER TEST FEES
Cash and investments - beginning	\$ 637,823	\$ 168,791	\$ 1,034,205	\$ 107,676	\$ 2,196	\$ 71,217
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	510,944	42,572	744,992	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	30,907	-	3,983	17,900
Total receipts	510,944	42,572	775,899	-	3,983	17,900
Disbursements:						
Personal services	350	-	393,727	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	527,758	46,447	15,150	23,384	2,665	2,820
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	97,196	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	528,108	46,447	506,073	23,384	2,665	2,820
Excess (deficiency) of receipts over disbursements	(17,164)	(3,875)	269,826	(23,384)	1,318	15,080
Cash and investments - ending	\$ 620,659	\$ 164,916	\$ 1,304,031	\$ 84,292	\$ 3,514	\$ 86,297

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	NON-REV -ECONOMIC DEV.	CP REDEV DEBT SERV RES	ST ANTHONY TIF BOND FUND	TOURISM FUND	GO BOND DEBT SERVICE	C.P. REDEVELOPMENT FUND
Cash and investments - beginning	\$ 36,555	\$ 586,599	\$ 4	\$ 5,951	\$ 1,154	\$ 1,388,437
Receipts:						
Taxes	-	-	-	4,725	267,411	2,720,204
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	1,901	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	6,500	-	-	-	-	1,521,441
Total receipts	6,500	-	-	4,725	269,312	4,241,645
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	5,670	270,466	1,289,171
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,249,446
Total disbursements	-	-	-	5,670	270,466	2,538,617
Excess (deficiency) of receipts over disbursements	6,500	-	-	(945)	(1,154)	1,703,028
Cash and investments - ending	\$ 43,055	\$ 586,599	\$ 4	\$ 5,006	\$ -	\$ 3,091,465

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	FIREFIGHTER'S GRANT FUND	RECYCLING & SOLID WASTE	G.O. BOND PROCEEDS FUND	SPORTSPLEX DEV & CONSTR	Court Supplemental CTAR-1	PYWH-PERF
Cash and investments - beginning	\$ 825	\$ 106,156	\$ 151,272	\$ 31,529	\$ 140,186	\$ 15
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	191,765	-	2,286,954	522,320	-
Total receipts	-	191,765	-	2,286,954	522,320	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	83,856	4,763	269,020	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	518,023	-
Total disbursements	-	83,856	4,763	269,020	518,023	-
Excess (deficiency) of receipts over disbursements	-	107,909	(4,763)	2,017,934	4,297	-
Cash and investments - ending	\$ 825	\$ 214,065	\$ 146,509	\$ 2,049,463	\$ 144,483	\$ 15

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	SAUERMAN WOODS RES. DONA.	PYWH-SPECIAL INSURANCE	MISC. REFUNDS ESCROW	PYWH-FIRE PENSION II	HIGH MEADOWS ESCROW FUND	NON-REV. SPEC. EVENTS FD.
Cash and investments - beginning	\$ 1,250	\$ 95	\$ 895	\$ 299	\$ 6,580	\$ 7,330
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	35,643
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	15,447	-	-	-
Total receipts	-	-	15,447	-	-	35,643
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	11,534	-	1,975	30,178
Total disbursements	-	-	11,534	-	1,975	30,178
Excess (deficiency) of receipts over disbursements	-	-	3,913	-	(1,975)	5,465
Cash and investments - ending	\$ 1,250	\$ 95	\$ 4,808	\$ 299	\$ 4,605	\$ 12,795

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	STATE INCOME TAX	POL. PEN- IND. GROSS	SENIOR DISC (HIDTA) FUND	DON-C.P. BEAUTIFICATION	FIRE PEN- IND. GROSS	PYWH-POLICE PENSION II
Cash and investments - beginning	\$ 45,483	\$ 2,204	\$ 122,431	\$ 855	\$ 184	\$ 363
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	100,000	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	568,929	28,438	-	-	2,276	-
Total receipts	568,929	28,438	100,000	-	2,276	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	2,270	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	568,480	28,159	97,667	-	-	-
Total disbursements	568,480	28,159	97,667	-	2,270	-
Excess (deficiency) of receipts over disbursements	449	279	2,333	-	6	-
Cash and investments - ending	\$ 45,932	\$ 2,483	\$ 124,764	\$ 855	\$ 190	\$ 363

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	ADULT PROBATION SERV. FD.	DOG SUPPLY/MAINT DONATION	ESCROW-EDC	PYWH-COL. LIFE & ACCIDENT	GREENVIEW RECOVERY AGREE.	NON-REV RENTAL HOUSING
Cash and investments - beginning	\$ 10,928	\$ 19,204	\$ 1,489	\$ 408	\$ 9,600	\$ 18,654
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	26,450	9,546	-	-	-	350
Total receipts	26,450	9,546	-	-	-	350
Disbursements:						
Personal services	37,378	-	-	-	-	18,725
Supplies	-	-	-	-	-	-
Other services and charges	-	7,040	-	-	-	159
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	37,378	7,040	-	-	-	18,884
Excess (deficiency) of receipts over disbursements	(10,928)	2,506	-	-	-	(18,534)
Cash and investments - ending	\$ -	\$ 21,710	\$ 1,489	\$ 408	\$ 9,600	\$ 120

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CEMETERY NON-REV. FUND	PYWH- MUNICIPAL INS.	PARKS/ PLAYGROUNDS ESCROW	MISC. SALES TAX	COUNTY COURT COSTS ESC.	PRINC & INTEREST- TIF BOND
Cash and investments - beginning	\$ 48,710	\$ 443	\$ 42,800	\$ 111	\$ 2,315	\$ 77,190
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	17,950	-	-	-	-	-
Fines and forfeits	-	-	-	-	18,778	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	-	-	25,212	-	1,249,446
Total receipts	17,950	-	-	25,212	18,778	1,249,446
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	24,442	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	1,323,548
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	24,794	18,734	-
Total disbursements	24,442	-	-	24,794	18,734	1,323,548
Excess (deficiency) of receipts over disbursements	(6,492)	-	-	418	44	(74,102)
Cash and investments - ending	\$ 42,218	\$ 443	\$ 42,800	\$ 529	\$ 2,359	\$ 3,088

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	NON-REV VEH/EQUIP PURCH	COURT RECORD PERPETUATION	PREPAID LEGAL ESCROW	NON REV. PARK GIFT FUND	DARE FUND DONATIONS	FIRE DEPT. DONATIONS
Cash and investments - beginning	\$ 374,462	\$ 29,600	\$ 136	\$ 3,303	\$ 25,764	\$ 4,352
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	4,810	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	316,090	-	811	-	19,316	54,153
Total receipts	316,090	4,810	811	-	19,316	54,153
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	370	-	-	-	-
Other services and charges	-	57	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	198,792	63	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	878	91	26,614	36,725
Total disbursements	198,792	490	878	91	26,614	36,725
Excess (deficiency) of receipts over disbursements	117,298	4,320	(67)	(91)	(7,298)	17,428
Cash and investments - ending	\$ 491,760	\$ 33,920	\$ 69	\$ 3,212	\$ 18,466	\$ 21,780

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	NON REV. POLICE FED SEIZ.	NON-REV SPRTSPLX LEASE	MAYOR'S ROUNDTABLE ESCROW	POLICE DONATIONS ESCROW	NON REV. HAZ MATERIALS	TANK IMP. ESCROW
Cash and investments - beginning	\$ 132,081	\$ 30,550	\$ 1	\$ 26,615	\$ 4,843	\$ 144
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	37,591	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	11,820	550	-	18,538	-	-
Total receipts	49,411	550	-	18,538	-	-
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	48,299	-	-	20,472	2,229	-
Total disbursements	48,299	-	-	20,472	2,229	-
Excess (deficiency) of receipts over disbursements	1,112	550	-	(1,934)	(2,229)	-
Cash and investments - ending	\$ 133,193	\$ 31,100	\$ 1	\$ 24,681	\$ 2,614	\$ 144

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	PYWH-VISION INS.	PYWH-AFLAC	PYWH-AMER. BANKERS INS.	UNUM/CIGNA VOL INS ESCROW	EMP/RETIREE NON-REV INS.	CIVIL DEFENSE DONATIONS
Cash and investments - beginning	\$ 978	\$ 12,693	\$ 158	\$ 1,437	\$ 3,631	\$ 11,600
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	9,215	90,679	-	15,576	4,386,612	2,200
Total receipts	9,215	90,679	-	15,576	4,386,612	2,200
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	8,524	90,759	-	16,706	4,329,570	2,959
Total disbursements	8,524	90,759	-	16,706	4,329,570	2,959
Excess (deficiency) of receipts over disbursements	691	(80)	-	(1,130)	57,042	(759)
Cash and investments - ending	\$ 1,669	\$ 12,613	\$ 158	\$ 307	\$ 60,673	\$ 10,841

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	L.C.DRUG FREE ALLIANCE GR	4TH FRIDAY ARTS GRANT	NON REV MUNICIPAL WHEEL T	LAKE CO. HIDTA PROGRAM	N/R MUNICIPAL MV LIC EXCS	ESCROW- PERPET. BLDG.IMP.FD
Cash and investments - beginning	\$ -	\$ 1	\$ -	\$ 46,591	\$ -	\$ 105,975
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	7,180	-	29,461	4,023,428	941,527	352,212
Total receipts	7,180	-	29,461	4,023,428	941,527	352,212
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	677,276	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	7,180	-	-	4,046,287	-	305,137
Total disbursements	7,180	-	-	4,046,287	677,276	305,137
Excess (deficiency) of receipts over disbursements	-	-	29,461	(22,859)	264,251	47,075
Cash and investments - ending	\$ -	\$ 1	\$ 29,461	\$ 23,732	\$ 264,251	\$ 153,050

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	GRANT- L.C.DRUNK DRIV.TASK	HOMESTEAD RESTOR. DON.	LOIT SPECIAL DISTRIBUTION	CASH- STORMWATER O&M	CASH- STORMWATER DEBT SER	CASH- WASTEWATER O&M FUND
Cash and investments - beginning	\$ 186	\$ 100	\$ 7	\$ 561,163	\$ -	\$ 950,000
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	929,194	-	7,259,666
Penalties	-	-	-	14,517	-	111,761
Other receipts	-	-	1,000,000	-	245,760	441,359
Total receipts	-	-	1,000,000	943,711	245,760	7,812,786
Disbursements:						
Personal services	-	-	-	258,425	-	1,809,133
Supplies	-	-	-	-	-	-
Other services and charges	-	-	1,000,007	35,992	-	103,576
Debt service - principal and interest	-	-	-	-	245,760	-
Capital outlay	-	-	-	-	-	196,020
Utility operating expenses	-	-	-	228,896	-	3,250,644
Other disbursements	-	-	-	245,760	-	2,453,413
Total disbursements	-	-	1,000,007	769,073	245,760	7,812,786
Excess (deficiency) of receipts over disbursements	-	-	(7)	174,638	-	-
Cash and investments - ending	\$ 186	\$ 100	\$ -	\$ 735,801	\$ -	\$ 950,000

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CASH- WW IMPROVEMT OTHER	WASTEWATER SRF 2015 TRUST	WASTEWATER SRF 2017 TRUST	CASH- WW IMPROVE REPLACE	CASH- WW DEBT SERV RES	CASH WW UTIL CONSTR ACCT
Cash and investments - beginning	\$ 1,246,835	\$ -	\$ -	\$ 352	\$ 1,079,547	\$ 85,333
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1,136,575	299,110	4,667,664	-	69,740	100
Total receipts	1,136,575	299,110	4,667,664	-	69,740	100
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	299,110	4,667,664	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	299,110	4,667,664	-	-	-
Excess (deficiency) of receipts over disbursements	1,136,575	-	-	-	69,740	100
Cash and investments - ending	\$ 2,383,410	\$ -	\$ -	\$ 352	\$ 1,149,287	\$ 85,433

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CASH ON HAND-WW PETTY	CASH- WW B&I SINKING FUND	CASH- WATER O&M FUND	CASH- WATER HYDRANT DEP	CASH- WTR DEPR/IMPR FUND	CASH WATER UTIL CONSTRUCTION ACT
Cash and investments - beginning	\$ 800	\$ 150,031	\$ 950,000	\$ 10,299	\$ 9,866,191	\$ 5,776
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	7,904,636	-	-	-
Penalties	-	-	47,199	-	-	-
Other receipts	-	1,162,098	675,647	750	4,500,000	-
Total receipts	-	1,162,098	8,627,482	750	4,500,000	-
Disbursements:						
Personal services	-	-	1,632,525	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	95,073	-	-	-
Debt service - principal and interest	-	1,062,496	182,890	-	240,000	-
Capital outlay	-	-	101,823	-	64,145	-
Utility operating expenses	-	-	5,627,779	-	-	-
Other disbursements	-	-	987,392	-	4,592,189	-
Total disbursements	-	1,062,496	8,627,482	-	4,896,334	-
Excess (deficiency) of receipts over disbursements	-	99,602	-	750	(396,334)	-
Cash and investments - ending	\$ 800	\$ 249,633	\$ 950,000	\$ 11,049	\$ 9,469,857	\$ 5,776

CITY OF CROWN POINT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2017

	CASH ON HAND-WATER PETTY	CASH- WATER B&I SINKING	CASH- WATER DEBT SERV RES	CASH- 2014 BOND PROCEEDS	CASH- WTR NEW CONS DEP	Totals
Cash and investments - beginning	\$ 600	\$ 448,594	\$ 628,581	\$ 261	\$ 15,889	\$ 26,023,247
Receipts:						
Taxes	-	-	-	-	-	14,322,950
Licenses and permits	-	-	-	-	-	1,122,832
Intergovernmental receipts	-	-	-	-	-	5,117,329
Charges for services	-	-	-	-	-	4,494,103
Fines and forfeits	-	-	-	-	-	109,381
Utility fees	-	-	-	-	-	16,093,496
Penalties	-	-	-	-	-	173,477
Other receipts	-	937,392	-	-	1,750	37,631,979
Total receipts	-	937,392	-	-	1,750	79,065,547
Disbursements:						
Personal services	-	-	-	-	-	15,504,358
Supplies	-	-	-	-	-	909,077
Other services and charges	-	-	-	-	-	10,661,880
Debt service - principal and interest	-	988,175	-	-	-	4,042,869
Capital outlay	-	-	-	-	-	6,254,188
Utility operating expenses	-	-	-	-	-	9,107,319
Other disbursements	-	-	-	-	-	24,342,827
Total disbursements	-	988,175	-	-	-	70,822,518
Excess (deficiency) of receipts over disbursements	-	(50,783)	-	-	1,750	8,243,029
Cash and investments - ending	\$ 600	\$ 397,811	\$ 628,581	\$ 261	\$ 17,639	\$ 34,266,276

CITY OF CROWN POINT
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2017

Government or Enterprise	Accounts Payable	Accounts Receivable
Storm Water	\$ 4,951	\$ 75,017
Wastewater	335,564	794,876
Water	96,417	600,212
Governmental activities	54,918	1,035,535
Totals	\$ 491,850	\$ 2,505,640

CITY OF CROWN POINT
SCHEDULE OF LEASES AND DEBT
December 31, 2017

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Crossroads Bank	Ambulance Lease	\$ 58,171	06/08/2017	06/01/2022
JP Morgan Chase Bank	Fire Truck Lease	<u>108,019</u>	09/24/2015	03/24/2028
Total of annual lease payments		<u>\$ 166,190</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
General obligation bonds	2008 Gen Obligation Bond-Road Improvements	\$ 865,000	\$ 168,028
General obligation bonds	2010 G.O Bond-Building and Land Improvements	540,000	277,980
Revenue bonds	2007 TIF Redevelopment Bond-Property Purchase	1,680,000	319,198
Revenue bonds	2014 Redevelopment Bond-Mainstreet Project	142,000	142,000
Revenue bonds	2015 TIF Redevelopment Bond	<u>4,690,000</u>	<u>338,724</u>
Total governmental activities		<u>7,917,000</u>	<u>1,245,930</u>
Storm Water:			
Revenue bonds	2010 Sewage Works Revenue Bond-Sewage & Stormwater Improvements	<u>2,480,000</u>	<u>246,410</u>
Wastewater:			
Revenue bonds	2016 Sewage Works Refunding Revenue Bond-Refund 2006 Issue	2,140,000	267,450
Lines of credit	2017 SRF Loan/Line of Credit - Wastewater Improvements	6,660,000	403,200
Lines of credit	2013 SRF Loan/Line of Credit-Wastewater & Stormwater Improvements	1,215,000	94,076
Lines of credit	2015 SRF Loan/Line of Credit - Wastewater & Stormwater Improvements	4,330,000	301,600
Lines of credit	2011 SRF Loan/Line of Credit-Wastewater & Stormwater Improvements	<u>1,420,000</u>	<u>133,193</u>
Total Wastewater		<u>15,765,000</u>	<u>1,199,519</u>
Water:			
Revenue bonds	2012 Waterworks Refunding Revenue Bonds of 2012	1,111,000	209,887
Revenue bonds	2014 Waterworks Revenue Bond	2,270,000	233,800
Revenue bonds	2007 Waterworks Revenue Bond - Refund 1998 Bond	<u>475,000</u>	<u>489,300</u>
Total Water		<u>3,856,000</u>	<u>932,987</u>
Totals		<u>\$ 30,018,000</u>	<u>\$ 3,624,846</u>

CITY OF CROWN POINT
SCHEDULE OF CAPITAL ASSETS
December 31, 2017

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

	Ending Balance
Governmental activities:	
Land	\$ 4,928,219
Infrastructure	24,455,734
Buildings	4,987,162
Improvements other than buildings	8,835,892
Machinery, equipment, and vehicles	<u>12,164,936</u>
Total governmental activities	<u>55,371,943</u>
Storm Water:	
Infrastructure	16,628
Machinery, equipment, and vehicles	<u>6,000</u>
Total Storm Water	<u>22,628</u>
Wastewater:	
Land	6,671,742
Infrastructure	31,982,585
Buildings	120,502
Improvements other than buildings	1,179,696
Machinery, equipment, and vehicles	3,924,178
Construction in progress	<u>301,138</u>
Total Wastewater	<u>44,179,841</u>
Water:	
Land	237,959
Infrastructure	18,508,882
Buildings	5,274,512
Machinery, equipment, and vehicles	2,068,219
Construction in progress	<u>613,840</u>
Total Water	<u>26,703,412</u>
Total capital assets	<u>\$ 126,277,824</u>

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

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

Report on Compliance for the Major Federal Program

We have audited the City of Crown Point's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2017. 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, 2017.

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


Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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


Paul D. Joyce, CPA
State Examiner

October 24, 2018

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

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

CITY OF CROWN POINT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

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	Passed Through to Subrecipient	Total Federal Awards Expended
<u>Department of Justice</u>					
Bulletproof Vest Partnership Program	Direct Grant	16.607	IN0450200	\$ -	\$ 2,880
Equitable Sharing Program	Direct Grant	16.922	FY 2017	-	48,298
Total - Department of Justice				-	51,178
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Highway Planning and Construction	Indiana Department of Transportation	20.205			
93rd Ave Intersection Improvements At Chase St.			DES 1173426	-	138,981
Summit & Merrillville Road Intersection Modernization			DES 1173708	-	171,555
Congestion Mitigation and Air Quality (CMAQ) E-85 Fuel			DES 1297254	-	25,492
Congestion Mitigation and Air Quality (CMAQ) E-85 Fuel			DES 1601151	-	4,213
North Street/109th Street From Indiana to Broadway			DES 1172428	-	30,236
North Street Vision Plan (109th Project)			DES 1400574	-	32,111
125th Avenue Grant Street Intersection Improvement Design			DES 1401030	-	92,724
Courthouse Square Construct Pedestrian Bump-Outs R-38316			DES 1500323	-	21,362
109TH Ave Access Control Delaware Pkwy to SR53 R39627			DES 1601157	-	32,668
Total - Highway Planning and Construction Cluster				-	549,342
Total - Department of Transportation				-	549,342
<u>Department of Health and Human Services</u>					
Maternal and Child Health Services Block Grant to the States	Indiana Criminal Justice Institute	93.994			
Child Restraint Distribution Grant			EDS D3-17-10952	-	5,885
Total - Department of Health and Human Services				-	5,885
<u>Executive Office of the President</u>					
High Intensity Drug Trafficking Areas Program	Direct Grant	95.001			
HIDTA			G15LC0003A	-	2,606
HIDTA			G16LC0003A	-	2,611,179
HIDTA			G17LC0003A	-	1,286,661
Total - Executive Office of the President				-	3,900,446
<u>Department of Homeland Security</u>					
National Urban Search and Rescue (US&R) Response System	City of Indianapolis	97.025			
Hurricane Matthew			INTF-1	-	4,036
Total - Department of Homeland Security				-	4,036
Total federal awards expended				\$ -	\$ 4,510,887

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

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

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the City under programs of the federal government for the year ended December 31, 2017. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the City, it is not intended to and does not present the financial position of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF CROWN POINT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statement:

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

Federal Awards:

Internal control over major program:	
Material weakness identified?	no
Significant deficiency identified?	none reported
Any audit finding disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	no

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

CFDA Number	Name of Federal Program or Cluster	Opinion Issued
95.001	High Intensity Drug Trafficking Areas Program	Unmodified

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

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the City. The document is presented as intended by the City.



Summary Schedule of Prior Audit Findings

Finding 2016-001

Fiscal year in which the finding initially occurred: 2016

Contact Person Responsible for Corrective Action: Kristie L. Dressel

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

Status of Audit Finding:

Receipts

1. The City did not have controls in place to ensure that all collections were properly receipted or tracked, or that adjustments were properly approved. No one reviewed detail cash register tapes and/or handwritten receipts and utility billing stubs to ensure that all transaction numbers were accounted for on the register tapes, receipts, and utility billing stubs. Multiple employees used the same cash register to enter transactions. Voids or errors in entering collections into the cash register were corrected by the same employee who entered the transaction without oversight or review. Voided receipts were not retained or provide for audit. The registers used by the City did not have the capability to separately identify which employee entered a transaction.

Internal Controls:

Action Taken: Receipts and adjustments. In 2016 I was elected to the office of City of Crown Point. I started to implement some internal controls in place when I arrived. Do to the State Board of Accounts IC 5-11-1-27 (g) the City of Crown Point Legislative body of a political subdivision did have internal control standards and procedures developed under subsection (e) were adopted by the political subdivision by June 30, 2016 and did have personnel receive training concerning the internal control standards and procedures. During 2016 some internal controls where being put in place. In 2016 I had each employee review the video provided for internal controls and made each employee sign their name and date they reviewed. We have retained for record. I also have for record the internal control procedures in place each employee signed and dated in 2016 that is kept in the clerk's office retained for record. It was not until 2017 we tested our internal control we had in place and found the internal control procedures where not in place and that the department heads and staff where not following those procedures and in fact found one of the employees to be on a video tape in our drop box with a

key unauthorized. In 2017 I notified State Board of Accounts to do a special audit in 2017 to let them know of the breach in internal controls. After further review of our internal control procedures in 2017 we found many internal controls were not being followed. 2 department's heads that were not following these controls do not work for City of Crown Point no longer. The City of Crown Point by the end of 2017 put in place new procedure to ensure none of the receipts for permits conversion are out of order. We have corrected this with a receipt book by a number sequence. At this time the new (cash registers) have (not) been installed so we still have skipping in our numbers on the cash registers tapes. Our voided receipts are all retained in a red binder book for State Board of Accounts review along with our receipts for fees collected daily. We thought our conversion would have been completed by now. We are still in the process of our new software conversion. I am anticipating end of 2018 or beginning of 2019 for our New World system to be up and running.

By December 2017 we have 3 cash register drawers each day assigned to three clerks in accounts receivable. The beginning balance is \$100.00 each day. At the end of each day a clerk from accounts receivable and a clerk from a different department in the clerk's office does verify the total of collection in each cash drawer along with all of their cash register tapes. We have also put into place an internal control procedure where all cash register errors or changes are to be approved by two employees or the department head and retained for record. Also each day I see a merge report from billing department for all three drawers and sign off on all the over and under collected and make sure all our money is accounted for and receipted in on a daily bases. Also we have a system in place where the Clerk-Treasurer verifies all copies of all shut offs and receipts and verifies the fees have been collected for each. Also NFS money and fees are receipted into daily deposits and receipts our kept for record.

2. Park Receipts were written and deposited by a single individual without documentation of control.

Action Taken: Parks receipts: The City of Crown Point on 11-03-2017 started a chain of custody form that is signed and dated each day by one of the clerks or Park Administrator from the park department and brought over to the Clerk's office along with their deposit. The department head or a clerk signs from the clerk's office the chain of custody and receipts the money into the clerk's office and retains the form of custody for State Board of Accounts review. Then 2 clerks one from accounts receivables and one from a different department in the clerk's office counts the money to verify the money received. Starting in August of 2018 we added an additional control that the parks department clerk or Administrator along with 2 Clerk staff counts and verifies the amounts are correct before the Park or park administrator leave the clerk's office. The chain of custody form is retained at the Clerk-Treasurer office for the State Board of Accounts audit review.

Customer Account Adjustments

The City had not established controls for adjustments posted to utility customer accounts.

Action Taken: The City of Crown Point has a Resolution No: 2018-08-53R put into place 08-2018 concerning disputed community service and utility bills allowing the Clerk-Treasurer to waive certain delinquent payment fees. This took a process and had to go to the Ordinance committee and then to council for approval. This did not get put into place till August of 2018. If a customer has a 12 month good history this allows the Clerk-Treasurer to waive a late fee. Also all adjustments are to be approved with the clerk's initials. We have requested each resident to provide a written letter stating why they want an adjustment. Some residents have given letters and some have not and decided to go to the BOW. Any large refunds have been placed on the BOW agenda so the BOW board approves the refund.

Reporting

The utilities' records were maintained on the accrual basis. An employee prepared an excel spreadsheet to compile the Utility disbursement information on the cash basis to prepare the Annual Report and the financial statement. The City had not established controls to detect errors.

Action Taken: Monthly financial statements and year end data are reviewed by the bookkeeping clerk and sent to our financial advisors for review. One of our new internal controls put into place at the end of 2017 is two clerks from bookkeeping reviewing the financial statements. A bookkeeper employee prepares an excel spreadsheet to compile the Utility disbursement information on the cash basis to prepare the Annual Report and financial statement. The new control is a second bookkeeper does a final review and signs off on the excel spreadsheets that the first bookkeeper prepared.

We anticipated Completion Date to be December of 2017. Do to our New World conversion we were not able to complete some of the internal control that were stated.

Context

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

City Response: As I stated in 2017 the City did have controls in place to ensure that all collections were properly receipted or tracked, or that adjustments were properly approved. I did have internal controls in place and assigned each department a department head to make sure these controls were enforced. I noticed with the 2017 testing of internal controls around April that the supervisors were not following the internal controls in place. For the record I called for a special audit in 2017 to this date I have not had an exit regarding the special audit of the findings.



Kristie L. Dressel

Clerk-Treasurer

City of Crown Point

09-11-18

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/>.