

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

EXAMINATION REPORT
OF
TOWN OF ELBERFELD
WARRICK COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
01/05/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Theresa Freels	01-01-04 to 12-31-11
President of the Town Council	Duane Erwin	01-01-07 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ELBERFELD, WARRICK COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Elberfeld (Town), for the period of January 1, 2007 to December 31, 2009. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2007, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

November 10, 2010

TOWN OF ELBERFELD
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 38,796	\$ 50,803	\$ 76,352	\$ 13,247
Motor Vehicle Highway	53,576	37,621	43,337	47,860
Local Road and Street	3,215	7,426	837	9,804
Rainy Day	-	832	-	832
Donation	-	1,300	1,414	(114)
Fire Equipment Replacement	-	13,410	-	13,410
Fire Operating	-	70,154	62,397	7,757
Cumulative Capital Improvement	21,925	2,834	-	24,759
Cumulative Capital Development	19,513	2,484	1,550	20,447
County Economic Development Fund	46,796	21,528	10,254	58,070
Proprietary Funds:				
Water Utility - Operating	79,013	274,867	324,697	29,183
Water Utility - Bond and Interest	76,056	18,748	18,157	76,647
Water Utility - Reserve	17,448	4,362	-	21,810
Water Utility - Customer Deposit	33,689	3,675	1,675	35,689
Water Utility - Improvement	10,398	5,360	15,936	(178)
Water Utility - Wastewater Fund	(127)	257,040	236,072	20,841
Wastewater Utility - Operating	8,009	254,655	283,145	(20,481)
Wastewater Utility - Bond and Interest	36,156	128,056	129,700	34,512
Wastewater Utility - Reserve	92,613	18,647	-	111,260
Wastewater Utility - Customer Deposit	2,032	720	420	2,332
Wastewater Utility - Construction	92	-	-	92
Wastewater Utility - Improvement	22,343	4,914	20,160	7,097
Fiduciary Fund:				
Payroll	34	191,011	190,842	203
Totals	\$ 561,577	\$ 1,370,447	\$ 1,416,945	\$ 515,079
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 13,247	\$ 96,858	\$ 67,123	\$ 42,982
Motor Vehicle Highway	47,860	27,587	24,134	51,313
Local Road and Street	9,804	7,140	3,292	13,652
Rainy Day	832	-	-	832
Donation	(114)	710	628	(32)
Fire Equipment Replacement	13,410	29,264	-	42,674
Fire Operating	7,757	101,486	74,184	35,059
Cumulative Capital Improvement	24,759	2,484	100	27,143
Cumulative Capital Development	20,447	4,688	-	25,135
County Economic Development Fund	58,070	54,889	5,870	107,089
Proprietary Funds:				
Water Utility - Operating	29,183	236,500	243,176	22,507
Water Utility - Bond and Interest	76,647	17,185	17,903	75,929
Water Utility - Reserve	21,810	5,924	-	27,734
Water Utility - Customer Deposit	35,689	3,120	2,485	36,324
Water Utility - Improvement	(178)	5,605	-	5,427
Water Utility - Wastewater Fund	20,841	257,033	256,206	21,668
Wastewater Utility - Operating	(20,481)	372,804	332,372	19,951
Wastewater Utility - Bond and Interest	34,512	126,274	131,900	28,886
Wastewater Utility - Reserve	111,260	8,820	-	120,080
Wastewater Utility - Customer Deposit	2,332	600	1,010	1,922
Wastewater Utility - Construction	92	-	-	92
Wastewater Utility - Improvement	7,097	7,591	-	14,688
Fiduciary Fund:				
Payroll	203	178,494	178,507	190
Totals	\$ 515,079	\$ 1,545,056	\$ 1,338,890	\$ 721,245
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 42,982	\$ 85,040	\$ 70,661	\$ 57,361
Motor Vehicle Highway	51,313	26,432	25,613	52,132
Local Road and Street	13,652	6,818	20,132	338
Rainy Day	832	-	-	832
Donation	(32)	1,005	656	317
Fire Equipment Replacement	42,674	57,077	-	99,751
Fire Operating	35,059	67,270	80,742	21,587
Cumulative Capital Improvement	27,143	2,792	278	29,657
Cumulative Capital Development	25,135	3,286	11,752	16,669
County Economic Development Fund	107,089	73,147	35,270	144,966
Proprietary Funds:				
Water Utility - Operating	22,507	355,657	292,105	86,059
Water Utility - Bond and Interest	75,929	17,185	89,458	3,656
Water Utility - Reserve	27,734	2,181	8,105	21,810
Water Utility - Customer Deposit	36,324	2,820	1,874	37,270
Water Utility - Improvement	5,427	5,448	-	10,875
Water Utility - Wastewater Fund	21,668	19,779	41,447	-
Wastewater Utility - Operating	19,951	548,990	518,691	50,250
Wastewater Utility - Bond and Interest	28,886	140,009	128,925	39,970
Wastewater Utility - Reserve	120,080	-	12,280	107,800
Wastewater Utility - Customer Deposit	1,922	660	480	2,102
Wastewater Utility - Construction	92	-	92	-
Wastewater Utility - Improvement	14,688	7,489	-	22,177
Fiduciary Fund:				
Payroll	190	179,965	179,957	198
Totals	\$ 721,245	\$ 1,603,050	\$ 1,518,518	\$ 805,777

The accompanying notes are an integral part of the financial information.

TOWN OF ELBERFELD
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, public improvements, general administrative services, water and wastewater.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% 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 become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Subsequent Event

On April 26, 2010, the Wastewater Utility issued Revenue Bonds in the amount of \$845,000 to rehabilitate the current sewage system.

A former employee and a current employee have both filed complaints with the Equal Employment Opportunity Commission. Neither has been settled as yet.

TOWN OF ELBERFELD
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Water Utility:		
Revenue bonds:		
Water Utility Improvements	\$ 180,000	\$ 17,313
Wastewater Utility:		
Revenue bonds:		
Wastewater Utility Improvements - 1999	740,000	12,950
Wastewater Utility Improvements - 2001	<u>430,000</u>	<u>7,525</u>
Total Wastewater Utility	<u>1,170,000</u>	<u>20,475</u>
Total business-type activities debt	<u>\$ 1,350,000</u>	<u>\$ 37,788</u>

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS - (Applies to Town, Water and Wastewater Utilities)

The Town and Utilities do not maintain sufficient detailed records of capital assets on a timely basis.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

BOARD MINUTES – (Applies to Town, Water and Wastewater Utilities)

Not all minutes of meetings of the governing body were available for examination. In addition, decisions made were not clear in the verbatim minutes because motions were not clearly presented in order for them to be properly recorded.

IC 5-14-1.5-4 states in part:

"(b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

EXCESSIVE OR UNREASONABLE COSTS – (Applies to Town, Water and Wastewater Utilities)

The law firm of Berger and Berger was paid \$30,980.32 for legal services over the three year term of the examination. Most of the expenses were for telephone calls between council members and attendance at meetings. No documentation of allocation of costs among the Town and the Water and Wastewater Utilities was made.

Every effort should be made by the governmental unit to avoid unreasonable or excessive costs. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

PERSONAL EXPENSES – (Applies to Town)

Expenses were made for dinners for firemen in the years 2007 and 2008 in the amounts of \$675 and \$611.80 from the Fire Operating fund, a tax supported fund.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CUSTOMER DEPOSIT REGISTER – (Applies to Water Utility)

The detailed customer deposit register does not reconcile with the cash and investment balance of the customer deposit fund. A similar comment was included in the prior report.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ACCOUNTABLE ITEMS – (Applies to Water and Wastewater Utilities)

Water purchased compared with water billed is not being monitored. Because Wastewater charges are based on the meter readings as well, the wastewater revenue is also affected.

Tickets, goods for sale, billings, and other collections are considered accountable items for which a corresponding deposit must be made in the bank accounts of the governmental unit.

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payors. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PUBLIC WORKS PROJECT – (Applies to Water and Wastewater Utilities)

The Town, during 2009, contracted with Ziliak Excavating, Inc. for the construction of sewer service for property that Ziliak purchased in the Industrial Park that was represented by the Council to already have sewer service. The total amount paid to Ziliak for the project was \$37,961.49. There was no evidence presented that quotes were requested or received.

The board shall invite quotes from at least three persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven days before the time fixed for receiving quotes. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

LOAN FROM WATER UTILITY – (Applies to Water and Wastewater Utilities)

A loan of \$25,000 was made in 2009 from the Water Utility Operating Fund to the Wastewater Utility Operating Fund and was repaid in 2010. This loan was not made from the cash reserve fund.

IC 8-1.5-3-11 (f) states: "A cash reserve fund, if authorized by ordinance, may be used to make loans to another utility owned by the same municipality, for periods not to exceed five (5) years, at any interest rate. The repayment of the loan and interest shall be returned to the cash reserve fund."

TRANSACTIONS – (Applies to Water and Wastewater Utilities)

A loan was repaid in 2010 by netting the loan amount due from the Wastewater Utility to the Water Utility in the amount of \$55,000 with the amount of the amount paid to Ziliak Excavating for the installation of the wastewater line (\$37,961.49) to his own property. The transaction in effect moved the expense from the Wastewater Utility to the Water Utility. The final amount paid was \$17,038.50. The transaction was directed by the Town Council.

The resources of a particular fund may be used only for the purposes for which the fund was created or as otherwise authorized by law. Therefore, one of the fundamentals of good accounting is that a proper charge be made for all substantial interfund services and that an adequate record be made for all interfund receipts and disbursements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 2)

OPEN DOOR LAW – (Applies to Town, Water and Wastewater Utilities)

A meeting of the Town Council was held on December 18, 2008, to which the Clerk-Treasurer was denied access. The recorded minutes of other council meetings indicate that some decisions have been made at other meetings that have not followed the Open Door Law.

Board meetings are governed by the Open Door Law, IC 5-14-1.5. Under the Open Door Law all meetings of governing boards must be open to the public except for executive sessions. Indiana Code 5-14-1.5-6.1(b) lists the circumstances under which an executive session may be held, including the following:

1. Where authorized by federal or state statute.
2. For discussion of strategy for: collective bargaining; initiation of litigation or litigation which is either pending or has been threatened specifically in writing; implementation of security systems; or purchase or lease of real property up to the time a contract or option to purchase or lease is executed by the parties.
3. To receive information about, and interview, prospective employees.
4. With respect to any employee's status or alleged misconduct.
5. For discussion of confidential records.
6. To discuss job performance evaluations of individual employees.

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

Final action on matters discussed in executive session must be taken at a meeting open to the public. Minutes of executive sessions must identify the subject matter considered by specific reference to the enumerated instance or instances for which public notice was given. The board must certify by a statement in its memoranda and minutes that it discussed no subject matter in the executive session other than the subject matter specified in the public notice. [IC 5-14-1.5-6.1]

Public notice of the date, time, and place of regular meetings, executive sessions, or rescheduled or reconvened meetings must be given at least 48 hours before the meeting (excluding Saturdays, Sundays, and legal holidays). Reconvened meetings may be held with less than 48 hours notice if the new date, time, and place is announced at the time of the original meeting and recorded in the minutes, and there is no change in the agenda. Public notice is given by posting a notice of the meeting at the office of the political subdivision and delivering notice to all news media who have filed a written request to receive such notices. Notice to the news media may be made by depositing the notice in the United States mail with postage prepaid, by transmitting the notice by electronic mail, or by transmitting the notice by facsimile (fax). If an agenda is used, it should be posted at the entrance to the meeting place. Notice of regular meetings need be given only once each year unless the date, time or place is changed. In case of an emergency, the 48 hour requirement may be disregarded. [IC 5-14-1.5-5]

Memoranda (minutes) of the meeting shall include the following items:

1. Date, time, and place of the meeting;
2. Members present and absent;
3. The general substance of all matters proposed, discussed or decided; and
4. A record of all votes taken, by individual members if there is a roll call. The memoranda should be available to the public within a reasonable period of time after the meeting. [IC 5-14-1.5-4]

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

FUNDRAISERS – (Applies to Town)

The Fire Territory of which the Town of Elberfeld is the provider unit conducted an annual fund raising event. The Town Council/Board minutes presented for examination did not indicate approval of the event, nor did the minutes contain designation of control procedures and the responsible officials or employees. In addition, no receipts from the events were turned over to the Town for the Fire Territory operating fund.

Governmental units which conduct fund raising events should have the express permission of the governing body for conducting the fund raiser as well as procedures in place concerning the internal controls and the responsibility of employees or officials. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

IC 36-5-6-6(a) states:

"The clerk-treasurer shall do the following:

- (1) Receive and care for all town money and pay the money out only on order of the town legislative body.
- (2) Keep accounts showing when and from what sources the clerk-treasurer has received town money and when and to whom the clerk-treasurer has paid out town money.

DELINQUENT WASTEWATER ACCOUNTS – (Applies to Wastewater Utility)

As stated in the prior report, delinquent Wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

IC 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

- (1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:
 - (A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent;
 - (B) A description of the premises, as shown by the records of the county auditor; and
 - (C) The amount of the delinquent fees, together with the penalty; or
- (2) An individual instrument for each lot or parcel of real property on which the fees are delinquent.

(c) The officer shall record a copy of each list or each individual instrument with the county recorder . . ."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . . ."

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

MILEAGE REIMBURSEMENT – (Applies to Town, Water and Wastewater Utilities)

Some employees/officials were reimbursed for mileage without filing Mileage Claim, General Form 101.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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

ERRORS ON CLAIMS – (Applies to Town, Water and Wastewater Utilities)

The following deficiencies were noted on claims during the examination period:

- (1) Some claims were not adequately itemized.
- (2) A few claims did not have board approval.
- (3) Most claims or invoices did not have evidence to support receipt of goods or services.

IC 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

TOWN OF ELBERFELD
EXAMINATION RESULTS AND COMMENTS
(Continued)

CONTRACTS – (Applies to Town, Water and Wastewater Utilities)

Payments totaling \$12,160.75 in 2007, \$7,401.50 in 2008, and \$11,418.07 in 2009 were made to Berger and Berger Law Firm for legal services without a contract.

Payments totaling \$14,307.87 in 2007, \$11,621.85 in 2008, and \$46,844.05 in 2009 were made to Lonnie Ziliak Excavating Services for excavating services without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ORDINANCES AND RESOLUTIONS – (Applies to Town)

The Town has an ordinance concerning salaries for each year. However, the Marshal was underpaid \$160 for the work he performed in 2009.

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

TOWN OF ELBERFELD
EXIT CONFERENCE

The contents of this report were discussed on November 10, 2010, with Duane Erwin, President of the Town Council, and Steven Gibson, Town Council member in separate meetings.

The contents of this report were discussed on November 10, 2010, with Theresa Freels, Clerk-Treasurer. The official response has been made a part of this report and may be found on pages 15 and 16.

TOWN OF ELBERFELD
P. O. BOX 37
ELBERFELD INDIANA 47613
(812) 983-4365

Duane Erwin, Council President
Steve Gibson, Council Member
Scott Dowers, Council Member

Theresa Freels, Clerk-Treasurer
Holly Pillow, Deputy Clerk

November 21, 2010

Re: official response-2007-2009 examination

To Whom It May Concern:

CAPITAL ASSET RECORDS

At this time the council and the clerk have discussed ways to meet the required actions needed to maintain the records of capital assets on a timely basis.

BOARD MINUTES

Minutes not available for audit were for meetings/discussions of town business that were held apart from posted council meetings where the clerk was not in attendance and the meeting held on December 18, 2008 from which the clerk was specifically denied access.

PUBLIC WORKS PROJECT

I gave a written request to each council member at the time the project was being done and billed for the additional quotes for this project. It was not discussed or approved at a council meeting. I received only one quote: Ziliak Excavating

LOAN FROM WATER UTILITY

I apologize for this error; I did not do a thorough job of finding the correct way to do a loan. I do understand it now and plan to abide by the IC 8-1.5-3-11.

MILEAGE REIMBURSEMENT

I will exercise the use of the proper form 101, with all employees\officials.

ERRORS ON CLAIMS

1. Sometimes the receipt or invoices I receive are not itemized.

2. Unapproved claims were either not on the claim register nor signed separately by the council. This occurred because some council members brought claims to the meetings and did not comply with their own policy to have claims to me 5 days before the meetings. They wanted the checks to be written and so they verbally approved them, but failed to sign them. I will no longer pay claims that do not appear on the claims register which the council signs or those they sign separately.

3. Many receipts are not given to me to be put with the claims, I will no longer put any claims on the approval voucher form without a proper itemized receipt.

ORDINANCES AND RESOLUTIONS

An amendment was made at the November council meeting to the salary ordinance to correct this error. The salary ordinance said one thing and the council had made a motion for a different pay.

Respectfully,



**Theresa Freels
Town of Elberfeld
Clerk/ Treasurer**