

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

EXAMINATION REPORT  
OF  
TOWN OF OGDEN DUNES  
PORTER COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
01/27/2011



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5-6
Supplementary Information: Schedule of Long-Term Debt .....	7
Examination Result and Comment: Condition of Records .....	8
Exit Conference.....	9

OFFICIALS

Office

Official

Term

Clerk-Treasurer

Donna Smith

09-01-07 to 12-31-11

President of the  
Town Council

Bradley Wood  
Bill Gregory

01-01-08 to 12-31-09  
01-01-10 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 OGDEN DUNES, PORTER COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Ogden Dunes (Town), for the period of January 1, 2008 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, 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, are presented for additional analysis and are 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

December 1, 2010

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

	Cash and Investments		Cash and Investments	
	01-01-08	Receipts	Disbursements	12-31-08
<b>Governmental Funds:</b>				
General	\$ 6,045	\$ 630,692	\$ 594,192	\$ 42,545
Motor Vehicle Highway	19,561	234,220	171,113	82,668
Local Road and Street	33,972	16,935	24,180	26,727
Beach Nourishment	7,122	133	-	7,255
Law Enforcement Continuing Education	3,254	1,774	1,366	3,662
Park and Recreation	23,125	43,796	33,399	33,522
Rainy Day	299,965	44,521	49,950	294,536
Police Donation	2,474	26,600	17,075	11,999
Beach Water Testing Grant	-	12,478	12,478	-
Environmental Grant	3,848	3,139	1,187	5,800
Governor's Task Force	14	2,449	2,441	22
2000 Park Bond	615	50,567	45,937	5,245
1995 General Obligation Bond	1,701	-	728	973
Cumulative Capital Improvement	10,104	4,270	-	14,374
Cumulative Capital Development	31,701	29,678	27,246	34,133
2000 Park Bond Proceeds	4,243	76	515	3,804
County Economic Development Income Tax (CEDIT)	52,779	87,427	60,447	79,759
Local Major Moves Construction	-	-	-	-
<b>Proprietary Funds:</b>				
Water Utility	114,076	381,946	469,185	26,837
Sanitation	5,932	150,843	153,133	3,642
<b>Fiduciary Funds:</b>				
Dredge Fund	87,387	1,635	-	89,022
Porter County Community Foundation	3,500	5,350	3,500	5,350
Payroll	14	476,665	476,679	-
Building Debris Escrow	4,000	2,700	3,000	3,700
Escrow	-	21,422	13,392	8,030
<b>Totals</b>	<b>\$ 715,432</b>	<b>\$ 2,229,316</b>	<b>\$ 2,161,143</b>	<b>\$ 783,605</b>

	Cash and Investments		Cash and Investments	
	01-01-09	Receipts	Disbursements	12-31-09
<b>Governmental Funds:</b>				
General	\$ 42,545	\$ 818,491	\$ 667,797	\$ 193,239
Motor Vehicle Highway	82,668	158,307	203,841	37,134
Local Road and Street	26,727	14,850	30,249	11,328
611 Donations #7	7,255	-	7,255	-
Beach Nourishment	-	-	-	-
Law Enforcement Continuing Education	3,662	4,415	1,078	6,999
Park and Recreation	33,522	-	14,579	18,943
Rainy Day	294,536	119,482	11,000	403,018
Police Donation	11,999	5,225	12,706	4,518
Rock Garden Donation	-	1,127	245	882
Street Department Donation	-	150	150	-
Town Hall Donation	-	750	-	750
Beach Water Testing Grant	-	-	11,710	(11,710)
Environmental Grant	5,800	-	3,945	1,855
Governor's Task Force	22	958	963	17
Protective Vest Grant	-	-	1,478	(1,478)
Lake Michigan Coastal Grant	-	2,181	525	1,656
Marina Development Grant	-	15,000	-	15,000
2000 Park Bond	5,245	59,185	64,363	67
1995 General Obligation Bond	973	-	973	-
Cumulative Capital Improvement	14,374	4,026	-	18,400
Cumulative Capital Development	34,133	28,233	8,992	53,374
2000 Park Bond Proceeds	3,804	2	3,806	-
County Economic Development Income Tax (CEDIT)	79,759	105,884	8,095	177,548
Local Major Moves Construction	-	-	-	-
<b>Proprietary Funds:</b>				
Water Utility	26,837	235,851	225,428	37,260
Sanitation	3,642	198,901	175,494	27,049
<b>Fiduciary Funds:</b>				
Fund 610	89,022	-	89,022	-
Dredge Fund	-	24,411	-	24,411
Porter County Community Foundation	5,350	-	-	5,350
Payroll	-	491,877	491,877	-
613 Clearing #2	3,700	-	3,700	-
Building Debris Escrow	-	3,300	2,550	750
Escrow	8,030	12,696	20,726	-
<b>Totals</b>	<b>\$ 783,605</b>	<b>\$ 2,305,302</b>	<b>\$ 2,062,547</b>	<b>\$ 1,026,360</b>

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

TOWN OF OGDEN DUNES  
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, health and social services, culture and recreation, and general administrative services.

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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

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.

TOWN OF OGDEN DUNES  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Town 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% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

Note 7. Subsequent Event

Overdrawn Fund Balances

At December 31, 2009, the Town had two funds with negative balances. Both of these funds were reimbursement grants. The money was expended in 2009, but the Town was not reimbursed until 2010. The funds and amounts were as follows:

<u>Fund</u>	<u>Amount</u>
Protective Vest Grant	\$ 1,477.50
State Beach Grant	11,709.93

TOWN OF OGDEN DUNES  
 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
Governmental activities:		
Bonds payable:		
General obligation bonds:		
Park Bond - Land and Equipment	\$ 230,000	\$ 47,388
Total governmental activities debt	<u>\$ 230,000</u>	<u>\$ 47,388</u>

TOWN OF OGDEN DUNES  
EXAMINATION RESULT AND COMMENT

CONDITION OF RECORDS

The annual report did not properly reflect the receipts and disbursements of the Water Utility funds. In 2008, the annual report did not reflect any activity in the water and sanitation funds. In 2009, the receipts and disbursements listed did not agree to the activity of the ledger. Receipts were overstated and disbursements were understated leading to ending balances that could not be traced to the ledger.

At all times, the manual and/or 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)

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)

TOWN OF OGDEN DUNES  
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2010, with Donna Smith, Clerk-Treasurer; Jim Kopp, Water Manager; and Bill Gregory, President of the Town Council. The officials concurred with our findings.