

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

EXAMINATION REPORT
OF
CITY OF LAWRENCEBURG
DEARBORN COUNTY, INDIANA
January 1, 2010 to December 31, 2010



FILED
12/30/2011

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Statement: Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6
Notes to Financial Statement.....	7-12
Supplementary Information: Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-21
Schedule of Capital Assets.....	22
Examination Results and Comments: Financial Activity Recorded to Wrong Funds	23-24
Annual Report Variances.....	24
Investment Earnings	24-25
Employee Meals	25
Concrete Work Performed on Private Property	25-26
Payroll Schedule and Voucher Not Used	26
No Time Records.....	26
Internal Controls Over Loans to Private Entities	26-27
Overdrawn Cash Balances.....	27-28
Receipt and Deposit of Pool Collections	28
Delinquent Utility Accounts.....	28-29
Delinquent Wastewater Accounts.....	29
Public Works Project	29-30
Exit Conference.....	31

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jacqueline A. Stutz	01-01-08 to 12-31-11
Mayor	William Cunningham	01-01-08 to 12-31-11
President of the Board of Public Works	William Cunningham	01-01-08 to 12-31-11
President of the Common Council	William Cunningham	01-01-08 to 12-31-11
Superintendent of Utilities	Charles M. Davis	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF LAWRENCEBURG, DEARBORN COUNTY, INDIANA

We have examined the financial statement of the City of Lawrenceburg (City), for the period of January 1, 2010 to December 31, 2010. The City's management is responsible for the financial statement. 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 statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2010, on the basis of accounting described in Note 1.

The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis 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 examination procedures applied to the financial statement and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Works and the Common Council, and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

November 23, 2011

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FINANCIAL STATEMENT

CITY OF LAWRENCEBURG
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

	Cash and Investments		Cash and Investments	
	01-01-10	Receipts	Disbursements	12-31-10
General	\$ 4,965,384	\$ 5,114,781	\$ 7,078,742	\$ 3,001,423
Motor Vehicle Highway	2,126,039	936,123	674,305	2,387,857
Local Road And Street	795	31,157	28,111	3,841
NR Parks Operating	637,687	167,685	111,911	693,461
NR LERU	271,288	61,352	-	332,640
NR EDC	107,976	18,792	217	126,551
NR Planning Commission	51,155	13,451	5,958	58,648
NR Refuse	217,393	49,829	-	267,222
NR Parking Fees	23,643	(935)	-	22,708
Lawrenceburg Law Enforcement Continuing Education	30,355	4,155	-	34,510
Riverboat Wagering/Admissions	86,271,023	30,891,635	43,888,053	73,274,605
Parks And Recreation	1,315,583	708,172	380,540	1,643,215
Rainy Day	-	186,348	-	186,348
NR K-9 Operating	4,821	11,000	15,566	255
User Fee-Law Enforcement	(109)	8,780	9,704	(1,033)
Levy Excess	-	12,986	-	12,986
Operation Pull Over	2,133	-	-	2,133
County Court Costs	37,044	131,002	168,046	-
NR Drug Buy Program	40,767	-	374	40,393
Police Tow Fund	(1,275)	1,275	-	-
NR Police Activity	89	-	-	89
Remedial Flood Control	(134,533)	-	-	(134,533)
BCC Operation Pullover	-	25,116	24,316	800
Municipal Development	20,080,751	35,340,210	35,380,029	20,040,932
AEP	41,775	200,000	176,748	65,027
Council Public Entity Loan	-	5,074,563	1,100,000	3,974,563
Council Private Entity Loan	-	6,053,362	3,659,122	2,394,240
Record Perpetuation	83,828	40,088	12,492	111,424
Workers Training	798	-	-	798
Lawrenceburg Housing RLF	12,433	144,434	36,593	120,274
Medical Insurance Account	(1,884)	2,261,288	2,228,912	30,492
NR Monument/Building Maintenance	-	2,019,090	-	2,019,090
NR Parks Maintenance	-	2,019,090	-	2,019,090
NR Fall Fest	-	125,417	103,062	22,355
LERU Billing	672,199	239,274	-	911,473
NR Industrial Park	290,782	-	-	290,782
NR Police Equipment	163	-	160	3
NR Fire Fighting Equipment	755,214	241,396	76,424	920,186
NR Cumulative Equipment	(17,531)	-	-	(17,531)
Cumulative Capital Improvement	(32,284)	213	-	(32,071)
NR Capital Improvements Parks	(287)	-	-	(287)
MDF Special Sewage	701,466	4,143	-	705,609
NR Self-Insurance Disaster	65,289	-	-	65,289
Police Pension	1,607,330	190,759	149,189	1,648,900
Payroll	15,475	5,949,723	5,860,424	104,774
City Court	35,329	585,239	580,407	40,161
Seymour Grant	-	1,750,000	-	1,750,000
Electric Utility Operating	2,583,038	11,802,493	11,865,429	2,520,102
Electric Utility Depreciation	481,244	11,512	-	492,756
Electric Utility Customer Deposit	142,873	51,690	79,560	115,003
Electric Utility Reserve	473,018	8,277	-	481,295
Sewage Operating	87,976	943,221	965,201	65,996
Water Utility Operating	230,787	938,892	1,012,001	157,678
Water Utility Depreciation	272,362	7,000	-	279,362
Totals	\$ 124,549,402	\$ 114,374,078	\$ 115,671,596	\$ 123,251,884

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

CITY OF LAWRENCEBURG
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

The accompanying financial statement presents the financial information for the City (primary government), and does not include financial information for any of the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the City (primary government).

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

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

C. Cash and Investments

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

D. Receipts

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts may include, but are not limited to, the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits which include amounts received from businesses, occupations, or non-businesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF LAWRENCEBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees which are comprised mostly of charges for current services.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies, which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF LAWRENCEBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The City may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the City. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF LAWRENCEBURG
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, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the City by recording as a disbursement and replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF 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.

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:

CITY OF LAWRENCEBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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 Public Employees' Retirement Fund as provided under Indiana Code 5-10.3-11.

C. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

PERF 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:

CITY OF LAWRENCEBURG
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Funding Policy

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

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the City's Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General	Motor Vehicle Highway	Local Road And Street	NR Parks Operating	NR LERU	NR EDC	NR Planning Commission
Cash and investments - beginning	\$ 4,965,384	\$ 2,126,039	\$ 795	\$ 637,687	\$ 271,288	\$ 107,976	\$ 51,155
Receipts:							
Taxes	3,515,762	786,679	-	-	-	-	-
Licenses and permits	1,307	-	-	-	-	375	13,451
Intergovernmental	1,148,359	133,588	31,157	-	-	-	-
Charges for services	38	-	-	162,805	-	-	-
Fines and forfeits	67,948	-	-	-	-	-	-
Other receipts	381,367	15,856	-	4,880	61,352	18,417	-
Total receipts	<u>5,114,781</u>	<u>936,123</u>	<u>31,157</u>	<u>167,685</u>	<u>61,352</u>	<u>18,792</u>	<u>13,451</u>
Disbursements:							
Personal services	5,257,263	398,587	-	-	-	-	-
Supplies	225,500	149,018	-	50,900	-	-	-
Other services and charges	1,436,007	86,656	-	16,943	-	-	5,000
Debt service - principal and interest	147,541	-	-	-	-	-	-
Capital outlay	12,431	40,044	28,111	44,068	-	217	958
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	<u>7,078,742</u>	<u>674,305</u>	<u>28,111</u>	<u>111,911</u>	<u>-</u>	<u>217</u>	<u>5,958</u>
Excess (deficiency) of receipts over disbursements	<u>(1,963,961)</u>	<u>261,818</u>	<u>3,046</u>	<u>55,774</u>	<u>61,352</u>	<u>18,575</u>	<u>7,493</u>
Cash and investments - ending	<u>\$ 3,001,423</u>	<u>\$ 2,387,857</u>	<u>\$ 3,841</u>	<u>\$ 693,461</u>	<u>\$ 332,640</u>	<u>\$ 126,551</u>	<u>\$ 58,648</u>

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	NR Refuse	NR Parking Fees	Lawrenceburg Law Enforcement Continuing Education	Riverboat Wagering/Admissions	Parks and Recreation	Rainy Day	NR K-9 Operating
Cash and investments - beginning	\$ 217,393	\$ 23,643	\$ 30,355	\$ 86,271,023	\$ 1,315,583	\$ -	\$ 4,821
Receipts:							
Taxes	-	-	-	-	705,266	-	-
Licenses and permits	-	-	935	-	-	-	-
Intergovernmental	-	-	-	23,818,183	2,571	186,348	-
Charges for services	29,223	-	1,900	-	-	-	-
Fines and forfeits	-	(935)	-	-	-	-	-
Other receipts	20,606	-	1,320	7,073,452	335	-	11,000
Total receipts	49,829	(935)	4,155	30,891,635	708,172	186,348	11,000
Disbursements:							
Personal services	-	-	-	-	353,884	-	-
Supplies	-	-	-	-	15,745	-	-
Other services and charges	-	-	-	33,888,053	7,390	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	3,521	-	15,566
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	10,000,000	-	-	-
Total disbursements	-	-	-	43,888,053	380,540	-	15,566
Excess (deficiency) of receipts over disbursements	49,829	(935)	4,155	(12,996,418)	327,632	186,348	(4,566)
Cash and investments - ending	\$ 267,222	\$ 22,708	\$ 34,510	\$ 73,274,605	\$ 1,643,215	\$ 186,348	\$ 255

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	User Fee-Law Enforcement	Levy Excess	Operation Pull Over	County Court Costs	NR Drug Buy Program	Police Tow Fund	NR Police Activity
Cash and investments - beginning	\$ (109)	\$ -	\$ 2,133	\$ 37,044	\$ 40,767	\$ (1,275)	\$ 89
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	8,780	-	-	131,002	-	-	-
Other receipts	-	12,986	-	-	-	1,275	-
Total receipts	<u>8,780</u>	<u>12,986</u>	<u>-</u>	<u>131,002</u>	<u>-</u>	<u>1,275</u>	<u>-</u>
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	374	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	9,704	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	168,046	-	-	-
Total disbursements	<u>9,704</u>	<u>-</u>	<u>-</u>	<u>168,046</u>	<u>374</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(924)</u>	<u>12,986</u>	<u>-</u>	<u>(37,044)</u>	<u>(374)</u>	<u>1,275</u>	<u>-</u>
Cash and investments - ending	<u>\$ (1,033)</u>	<u>\$ 12,986</u>	<u>\$ 2,133</u>	<u>\$ -</u>	<u>\$ 40,393</u>	<u>\$ -</u>	<u>\$ 89</u>

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Remedial Flood Control	BCC Operation Pull Over	Municipal Development	AEP	Council Public Entity Loan	Council Private Entity Loan	Record Perpetuation
Cash and investments - beginning	\$ (134,533)	\$ -	\$ 20,080,751	\$ 41,775	\$ -	\$ -	\$ 83,828
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	40,729	-	-	-	-
Intergovernmental	-	25,116	5,948,112	-	-	-	-
Charges for services	-	-	165,313	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	29,186,056	200,000	5,074,563	6,053,362	40,088
Total receipts	-	25,116	35,340,210	200,000	5,074,563	6,053,362	40,088
Disbursements:							
Personal services	-	24,316	531,353	-	-	-	-
Supplies	-	-	506,547	-	-	-	-
Other services and charges	-	-	4,723,959	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	16,335,629	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	13,282,541	176,748	1,100,000	3,659,122	12,492
Total disbursements	-	24,316	35,380,029	176,748	1,100,000	3,659,122	12,492
Excess (deficiency) of receipts over disbursements	-	800	(39,819)	23,252	3,974,563	2,394,240	27,596
Cash and investments - ending	\$ (134,533)	\$ 800	\$ 20,040,932	\$ 65,027	\$ 3,974,563	\$ 2,394,240	\$ 111,424

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Workers Training	Lawrenceburg Housing RLF	Medical Insurance Account	NR Monument/Building Maintenance	NR Parks Maintenance	NR Fall Fest	LERU Billing
Cash and investments - beginning	\$ 798	\$ 12,433	\$ (1,884)	\$ -	\$ -	\$ -	\$ 672,199
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	144,434	2,261,288	2,019,090	2,019,090	125,417	239,274
Total receipts	-	144,434	2,261,288	2,019,090	2,019,090	125,417	239,274
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	36,593	2,228,912	-	-	103,062	-
Total disbursements	-	36,593	2,228,912	-	-	103,062	-
Excess (deficiency) of receipts over disbursements	-	107,841	32,376	2,019,090	2,019,090	22,355	239,274
Cash and investments - ending	\$ 798	\$ 120,274	\$ 30,492	\$ 2,019,090	\$ 2,019,090	\$ 22,355	\$ 911,473

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	NR Industrial Park	NR Police Equipment	NR Fire Fighting Equipment	NR Cumulative Equipment	Cumulative Capital Improvement	NR Capital Improvements Parks	MDF Special Sewage
Cash and investments - beginning	\$ 290,782	\$ 163	\$ 755,214	\$ (17,531)	\$ (32,284)	\$ (287)	\$ 701,466
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	200,000	-	7,514	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	-	-	41,396	-	(7,301)	-	4,143
Total receipts	-	-	241,396	-	213	-	4,143
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	160	76,424	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	-	160	76,424	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	(160)	164,972	-	213	-	4,143
Cash and investments - ending	<u>\$ 290,782</u>	<u>\$ 3</u>	<u>\$ 920,186</u>	<u>\$ (17,531)</u>	<u>\$ (32,071)</u>	<u>\$ (287)</u>	<u>\$ 705,609</u>

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	NR Self-Insurance Disaster	Police Pension	Payroll	City Court	Seymour Grant	Electric Utility Operating	Electric Utility Depreciation
Cash and investments - beginning	\$ 65,289	\$ 1,607,330	\$ 15,475	\$ 35,329	\$ -	\$ 2,583,039	\$ 481,243
Receipts:							
Taxes	-	98,633	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	68,003	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	585,239	-	-	-
Other receipts	-	24,123	5,949,723	-	1,750,000	11,802,492	11,513
Total receipts	-	190,759	5,949,723	585,239	1,750,000	11,802,492	11,513
Disbursements:							
Personal services	-	149,189	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	5,860,424	580,407	-	11,865,429	-
Total disbursements	-	149,189	5,860,424	580,407	-	11,865,429	-
Excess (deficiency) of receipts over disbursements	-	41,570	89,299	4,832	1,750,000	(62,937)	11,513
Cash and investments - ending	\$ 65,289	\$ 1,648,900	\$ 104,774	\$ 40,161	\$ 1,750,000	\$ 2,520,102	\$ 492,756

CITY OF LAWRENCEBURG
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Electric Utility Customer Deposit	Electric Utility Reserve	Sewage Operating	Water Utility Operating	Water Utility Depreciation	Totals
Cash and investments - beginning	\$ 142,873	\$ 473,017	\$ 87,977	\$ 230,787	\$ 272,362	\$ 124,549,402
Receipts:						
Taxes	-	-	-	-	-	5,106,340
Licenses and permits	-	-	-	-	-	56,797
Intergovernmental	-	-	-	-	-	31,568,951
Charges for services	-	-	-	-	-	359,279
Fines and forfeits	-	-	-	-	-	792,034
Other receipts	51,690	8,278	943,220	938,892	7,000	76,490,677
Total receipts	<u>51,690</u>	<u>8,278</u>	<u>943,220</u>	<u>938,892</u>	<u>7,000</u>	<u>114,374,078</u>
Disbursements:						
Personal services	-	-	-	-	-	6,714,592
Supplies	-	-	-	-	-	948,084
Other services and charges	-	-	-	-	-	40,164,008
Debt service - principal and interest	-	-	-	-	-	147,541
Capital outlay	-	-	-	-	-	16,566,833
Utility operating expenses	79,560	-	965,201	-	-	1,044,761
Other disbursements	-	-	-	1,012,001	-	50,085,777
Total disbursements	<u>79,560</u>	<u>-</u>	<u>965,201</u>	<u>1,012,001</u>	<u>-</u>	<u>115,671,596</u>
Excess (deficiency) of receipts over disbursements	<u>(27,870)</u>	<u>8,278</u>	<u>(21,981)</u>	<u>(73,109)</u>	<u>7,000</u>	<u>(1,297,518)</u>
Cash and investments - ending	<u>\$ 115,003</u>	<u>\$ 481,295</u>	<u>\$ 65,996</u>	<u>\$ 157,678</u>	<u>\$ 279,362</u>	<u>\$ 123,251,884</u>

CITY OF LAWRENCEBURG
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
Decemeber 31, 2010

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
Other:	
Capital assets, not being depreciated:	
Land	\$ 39,368,196
Infrastructure	80,656,277
Buildings	52,644,772
Improvements other than buildings	30,186,060
Machinery and equipment	9,344,511
Construction in progress	347,000
Total other capital assets	212,546,816
Water Utility:	
Capital assets, not being depreciated:	
Land	524,108
Buildings	8,718,665
Improvements other than buildings	17,766,189
Machinery and equipment	2,403,724
Total Water Utility capital assets	29,412,686
Wastewater Utility:	
Capital assets, not being depreciated:	
Buildings	188,468
Improvements other than buildings	111,409,557
Machinery and equipment	913,852
Total Wastewater Utility capital assets	112,511,877
Electric Utility:	
Capital assets, not being depreciated:	
Buildings	2,313,818
Improvements other than buildings	12,855,092
Machinery and equipment	1,349,475
Total Electric Utility capital assets	16,518,385
Total capital assets not being depreciated	\$ 370,989,764

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS

FINANCIAL ACTIVITY RECORDED TO WRONG FUNDS (Applies to Clerk-Treasurer)

Prior to January 1, 2010, the Municipal Development Fund (MDF) was identified as fund number 280 on the funds ledger and the Riverboat Fund was identified as fund number 284. During the year 2010, the Clerk-Treasurer's office switched the fund numbers on the funds ledger. Fund number 280 became Riverboat and fund number 284 became MDF. This resulted in the following errors during the year 2010:

1. The January 1, 2010 cash and investment balances for the two funds were not switched causing the Riverboat Fund's January 1, 2010 cash and investment balance equaling the amount for the MDF and the MDF's January 1, 2010 cash and investment balance equaling the amount for the Riverboat Fund.
2. With the exception of some interest receipts, receipts for the Riverboat Fund were recorded to Fund 284 (MDF), and the receipts for MDF were recorded into Fund 280 (Riverboat Fund).

The fund numbers were switched back on the 2010 annual financial report (and on the funds ledger for the year 2011) prepared by the Clerk-Treasurer's office. This corrected the errors described in items 1 and 2 above; however, this caused other errors described below:

- A. Expenditures for the Riverboat Fund were paid from Fund 280 (MDF) and expenditures for MDF were paid from Fund 284 (Riverboat Fund).
- B. Certain interest receipts for the Riverboat Fund were recorded to Fund 280 (MDF) and certain interest receipts for MDF were recorded to Fund 284 (Riverboat).

The following schedule shows the adjustments required to be made to the funds ledger to correct the errors described in items A and B above:

Adjustments	Fund	
	Riverboat	MDF
Interest Receipts (1)	\$ 376,875	\$ (376,875)
Riverboat Fund Expenditures (2)	(24,881,647)	24,881,647
MDF Expenditures (3)	31,003,155	(31,003,155)
Totals	\$ 6,498,383	\$ (6,498,383)

Notes to Schedule:

- (1) Net adjustment required for Riverboat Fund interest receipts recorded to MDF
- (2) Adjustment required for Riverboat Fund expenditures recorded to MDF
- (3) Adjustment required for MDF expenditures recorded to Riverboat Fund

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The City approved adjustments to be made to their financial statements for the above items.

Jackie Stutz, Clerk-Treasurer, stated the above adjustments will be made to the funds ledger in the year 2011.

ANNUAL REPORT VARIANCES (Applies to Clerk-Treasurer)

The following are examples of variances between amounts reported on the City and Town Report (CTAR-1) and the financial records for the year 2010:

1. The investment register showed the City invested \$30,000,000 in various investments at US Bank that were not reported in the Annual Report's January 1, 2010 and December 31, 2010 cash and investment balances.
2. The Annual Report did not include the City Court's financial activity.
3. A transfer of \$1,750,000 was made in the year 2010 from the Municipal Development Fund into a separate City bank account to account for Seymour Grant funds; however, the Seymour Grant Fund was not recorded on the City's financial ledger until the year 2011. In addition, the Seymour Grant Fund was not reported on the Annual Report.

The City approved adjustments to be made to their financial statements for the items noted above.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

INVESTMENT EARNINGS (Applies to Clerk-Treasurer)

Prior to the year 2010, the City invested \$30,000,000 in various investments with Huntington Bank and US Bank. Investment earnings on the investments have been credited to the City's investment accounts by the banks; however, the City has not recorded investment earnings totaling \$3,501,138 to the funds ledger and these investment earnings were not reported on the City's financial statements.

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

The City has approved an adjustment to financial statements for the unrecorded earnings, but no adjusting entry has been made to the funds ledger.

A similar comment was made in prior Report B38667.

EMPLOYEE MEALS (Applies to Utility Service Board, Clerk-Treasurer, and City Council)

The City paid a total of \$639.16 for meals for six employees who attended the American Power Association Conference in Nashville, Tennessee, in March of 2011. The payments were for the actual cost of meals. In addition, \$474.99 of the \$639.16 of employee meal costs was charged on the credit card of Tony O'Neal, Electric Foreman. No documentation was presented for examination showing the total meal cost the City paid for each individual employee per day.

The City's Per Diem and Mileage Reimbursement Policy, approved by the Council on October 18, 2010, establishes a \$60.00 per day meal allowance for employees and officials who attend conventions and seminars.

Jacqueline Stutz, Clerk-Treasurer, stated that it is the City's practice to allow employees to charge meals to City or Utility credit cards, or to be reimbursed for meals based upon itemized receipts in lieu of receiving per diem.

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)

A similar comment was made in prior Report B38667.

CONCRETE WORK PERFORMED ON PRIVATE PROPERTY (Applies to City Council)

Invoices paid by the City for street paving and street repairs from the Municipal Development Fund showed additional costs being paid for concrete work on private property. Mario Todd, City Councilman and City Construction Inspector, stated it is the City's practice to allow the contractor who is awarded the annual street bid to perform additional work for property owners. The contractor provides an estimate to the property owner for the work to be performed. If the property owner agrees to the work, the property owner enters into a contract with the City and the work is performed and paid for by the City. The contract includes payment arrangements for the property owner to reimburse the City for the cost of the work performed. Property owners who do not make payments are sent notices requesting reimbursement to the City for the cost of the work performed. Records presented for examination showed amounts due from property owners was \$517,213 as of December 31, 2010.

On December 20, 2010, we met with City officials to discuss a similar comment included in prior Report B38667. At that time we recommended that the City discontinue the practice of paying for concrete work performed on private property. However, for the period December 20, 2010 through September 30, 2011, additional concrete work of \$56,801.30 was invoiced to property owners. Mario Todd, City Councilman and City Construction Inspector, stated that the City did not want to discontinue the practice until the concrete program had been offered to all property owners.

Generally, public funds may not be used to make improvements to property not owned by the governmental unit, unless permitted by statute, federal or state requirements, or safety concerns. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

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)

A similar comment was included in prior Reports B35646 and B38667.

PAYROLL SCHEDULE AND VOUCHER NOT USED (Applies to Clerk-Treasurer)

The Clerk-Treasurer's office does not require City departments to submit a Payroll Schedule and Voucher (Form 99). Form 99 has been prescribed to provide for department heads to certify to time worked and leave taken by employees under their supervision.

Indiana Code 5-11-9-3 states: "Certification of said vouchers and accounts shall be made by the . . . head of the department . . ."

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)

NO TIME RECORDS (Applies to Mayor)

No time records were presented for examination for an Administrative Assistant (hourly employee) that works under the supervision of the Mayor.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

INTERNAL CONTROLS OVER LOANS TO PRIVATE ENTITIES (Applies to Clerk-Treasurer)

The City made long-term loans to various private entities from their Council Private Entity Loan Fund. The following deficiencies were noted regarding the accounting for loan repayments:

1. The City does not maintain sufficient detailed records of loans receivable. A spreadsheet was maintained for each loan, which listed the original loan amount and a list of repayments; however, the repayments recorded did not distinguish between the principal and the interest portions of the repayment, therefore, the outstanding loan balance could not be determined based upon the information recorded in the spreadsheets.
2. Amortization schedules documenting the payment amounts due were not on file for all loans.
3. The City does not have a policy that requires notices to be sent to borrowers that are delinquent on making principal and interest payments.
4. The promissory notes include a provision to assess a late charge for delinquent payments; however, the City did not assess late charges on delinquent payments.

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

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)

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OVERDRAWN CASH BALANCES (Applies to Clerk-Treasurer)

The following is a schedule of funds with a deficit cash balance as of December 31, 2010:

Fund	Deficit Cash Balance	Investment Balance	Balance Cash and Investments
Remedial Flood Control	\$ (204,533)	\$ 70,000	\$ (134,533)
Cumulative Capital Improvement	(32,071)	-	(32,071)
NR Cumulative Equipment	(17,531)	-	(17,531)
User Fee - Law Enforcement	(1,033)	-	(1,033)
NR Capital Improvements Parks	(287)	-	(287)

Since several City funds share a common depository account, when a deficit cash balance occurs, the Clerk-Treasurer is in effect borrowing funds from other City funds without obtaining formal approval from the City Council.

Indiana Code 36-1-8-4 (a) states:

"The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

- (1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.
- (2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.
- (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.
- (4) The amount transferred must be returned to the other fund at the end of the prescribed period.
- (5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred."

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in Reports B33750, B31498, B35646, and B38667.

RECEIPT AND DEPOSIT OF POOL COLLECTIONS (Applies to the Clerk-Treasurer)

The following deficiencies were noted regarding the receipt and deposit of pool collections:

1. Monies remitted to the Clerk-Treasurer's office were not deposited by the next business day in 70 percent of the instances that we reviewed. Daily collections ranged from \$104 to \$1,119.

Indiana Code 5-13-6-1(d) states:

"A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories: (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

2. It is the City's practice to issue receipts for pool collections at the time the bank deposit is prepared, and not at the time the monies are received.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DELINQUENT UTILITY ACCOUNTS (Applies to Utility Service Board)

The "Disconnection for Non-Payment Policy," approved by the Utility Service Board, allows a customer to enter into a payment agreement prior to having service disconnected if the customer pays 50 percent of the delinquent account balance and agrees to pay the remaining 50 percent within 30 days. The Superintendent of Utilities stated that it is the Utilities' practice to allow customers to make other arrangements, handled on a case by case basis, that are not included in the written policy. These practices include the following without written Utility Service Board approval:

1. Customers may sign payment agreements to pay less than 50 percent of the delinquent account balance.
2. A customer may sign a list in the Utility office, without making a payment, if the customer specifies the date the payment will be made.
3. Service may not be disconnected even if payments are not made in accordance with the payment agreements.

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)

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

We recommend the Utilities comply with the "Disconnection for Non-Payment Policy" or modify the policy to agree with their practice for handling delinquent accounts.

A similar comment was reported in prior Reports B33750, B31498, B35646, and B38667.

DELINQUENT WASTEWATER ACCOUNTS (Applies to Wastewater Utility)

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.

Indiana Code 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. . . ."

A similar comment was reported in Reports B33750, B31498, B35646, and B38667.

PUBLIC WORKS PROJECT (Applies to City Council)

The City of Lawrenceburg, during the year 2010, contracted with Dave O'Mara Contractor, Inc., for improvements at Todd Creech Park. The total amount paid to the contractor was \$173,277.29. There was no evidence presented for examination that sealed bids were requested or received.

Indiana Code 36-1-12-4(a) states in part: "This section applies whenever the cost of a public work project will be . . . at least fifty thousand dollars (\$50,000) . . ."

CITY OF LAWRENCEBURG
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 36-1-12-4(b) states in part:

"The board must comply with the following procedure: (1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid specifications which might unduly limit competition. . . . (2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the notice required by subdivision (3). (3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed. . . ."

CITY OF LAWRENCEBURG
EXIT CONFERENCE

The contents of this report were discussed on November 23, 2011, with William Cunningham, Mayor; Jacqueline A. Stutz, Clerk-Treasurer; Charles M. Davis, Superintendent of Utilities; and Vickie Robinson, Utility Accountant.