

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF OGDEN DUNES

PORTER COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
05/22/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Donna Smith Jean Manna	09-01-07 to 12-31-11 01-01-12 to 12-31-15
President of the Town Council	Bill Gregory Allen Johnson	01-01-10 to 04-01-12 04-02-12 to 12-31-13
Superintendent of the Water Utility	James Kopp	01-01-10 to 12-31-13
President of the Water Board	John Hannon Duane Hibbs Luke Brennan	01-01-10 to 12-31-11 01-01-12 to 12-31-12 01-01-13 to 12-31-13



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 accompanying financial statements of the Town of Ogden Dunes (Town), for the period of January 1, 2010 to December 31, 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements 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 statements 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 Town prepares its financial statements 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 effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Town for the period of January 1, 2010 to December 31, 2011.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the period of January 1, 2010 to December 31, 2011, on the basis of accounting described in Note 1.

INDEPENDENT ACCOUNTANT'S REPORT
(Continued)

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

The Town's response to the Examination Results and Comments identified in our examination is described in the accompanying section of the report entitled Official Response. We did not examine the Town's response and, accordingly, we express no opinion on it.



Bruce Hartman
State Examiner

February 13, 2013

FINANCIAL STATEMENTS

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

TOWN OF OGDEN DUNES
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	\$ 193,239	\$ 613,124	\$ 664,114	\$ 142,249
Motor Vehicle Highway	37,134	155,707	215,928	(23,087)
Local Road & Street	11,328	16,758	21,199	6,887
Sanitation Payroll Escrow	-	175	175	-
Law Enf Cont Ed	6,999	2,761	808	8,952
Park & Recreation	18,943	-	6,954	11,989
Rainy Day	403,017	50,800	-	453,817
Levy Excess Fund	-	2,035	-	2,035
Cum Cap Imp - Cig Tax	18,400	3,844	-	22,244
Ccd-Cum Cap Development	53,374	13,865	29,703	37,536
Cedit	177,548	96,586	87,130	187,004
Water Payroll Escrow	-	1,568	4,384	(2,816)
Change Fund	100	-	-	100
Donation Police	4,518	2,788	4,464	2,842
Beach Grant	(11,710)	11,710	10,144	(10,144)
Donation Rock Garden	882	-	-	882
Donation Street Dept.	-	-	-	-
Donation Beaut. Committee	750	200	950	-
Beach Nourishment	7,255	-	156	7,099
Protective Vest Grant	(1,477)	862	575	(1,190)
Lake Mi Coastal Grant	1,656	10,715	4,924	7,447
Lk Mich Marina Dvlp Grant	15,000	-	-	15,000
Dredge Settlement	113,434	271	1,750	111,955
In American Water Grant	1,855	-	-	1,855
Porter County Com. Found.	5,350	4,945	2,290	8,005
Governors Task Force	16	1,386	1,411	(9)
Reimbursement	-	4	4	-
Park Debt	67	57,411	47,788	9,690
Payroll	-	550,504	551,141	(637)
Debris Removal Deposits	4,350	3,210	5,310	2,250
Trash Utility Operating	27,049	189,786	181,515	35,320
Water Utility Operating	37,259	253,454	234,658	56,055
Totals	<u>\$ 1,126,336</u>	<u>\$ 2,044,469</u>	<u>\$ 2,077,475</u>	<u>\$ 1,093,330</u>

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

TOWN OF OGDEN DUNES
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General Fund	\$ 142,249	\$ 637,085	\$ 641,916	\$ 137,418
Motor Vehicle Highway	(23,087)	222,091	192,048	6,956
Local Road & Street	6,887	16,348	14,647	8,588
Sanitation Payroll Escrow	-	526	526	-
Law Enf Cont Ed	8,952	2,842	2,100	9,694
Park & Recreation	11,989	16,632	15,696	12,925
Rainy Day	453,817	-	120,000	333,817
Levy Excess Fund	2,035	-	2,035	-
Cum Cap Imp - Cig Tax	22,244	3,771	25,697	318
Ccd-Cum Cap Development	37,536	147,587	60,882	124,241
Cedit	187,004	77,191	244,245	19,950
Water Payroll Escrow	(2,816)	5,035	2,219	-
Change Fund	100	-	-	100
Donation Police	2,842	19,591	11,152	11,281
Beach Grant	(10,144)	30,538	20,394	-
Donation Rock Garden	882	-	-	882
Donation Street Dept.	-	-	-	-
Donation Beaut. Committee	-	4,205	4,203	2
Beach Nourishment	7,099	-	267	6,832
Protective Vest Grant	(1,190)	1,190	-	-
Lake Mi Coastal Grant	7,447	-	-	7,447
Lk Mich Marina Dvlp Grant	15,000	-	-	15,000
Dredge Settlement	111,955	185	-	112,140
In American Water Grant	1,855	32	1,887	-
Porter County Com. Found.	8,005	5,151	11,113	2,043
Governors Task Force	(9)	1,536	1,760	(233)
Park Debt	9,690	42,651	12,736	39,605
Payroll	(637)	539,029	537,734	658
Debris Removal Deposits	2,250	900	2,850	300
Trash Utility Operating	35,320	180,852	178,507	37,665
Water Utility Operating	56,055	257,593	239,729	73,919
Totals	<u>\$ 1,093,330</u>	<u>\$ 2,212,561</u>	<u>\$ 2,344,343</u>	<u>\$ 961,548</u>

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

TOWN OF OGDEN DUNES
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council 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, and trash.

The accompanying financial statements present the financial information for the Town.

B. Basis of Accounting

The financial statements are 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 statements. The aggregate receipts include 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), wheel tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

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

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of these types 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,

TOWN OF OGDEN DUNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 received from the county.

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, recycling fees, dog pound fees, emergency medical service fees, park rental fees, 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.

Penalties which include fees received for late payments.

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 statements. The aggregate disbursements include 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 Town. It includes all expenditures for the reduction of the principal and interest of the Town's general obligation indebtedness.

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.

TOWN OF OGDEN DUNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Town 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 Town. 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 Town. 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 Town 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 Town 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 Town 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.

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.

TOWN OF OGDEN DUNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

State statutes authorize 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 5. Risk Management

The Town 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 Town 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.

Note 6. Pension Plan

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 Indiana Public Retirement System (INPRS) 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 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

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

TOWN OF OGDEN DUNES
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 7. Cash Balance Deficits

The financial statements contain some funds with deficits in cash. Most of the deficits in cash occurred because the Town was awarded grants, in which the Town had to request reimbursement of money spent. Other deficits occurred due to having to pay expenses for which funding was not yet available.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town's Annual Report information for years 2011 and later can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Town. It is presented as intended by the Town.

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

	General Fund	Motor Vehicle Highway	Local Road & Street	Sanitation Payroll Escrow	Law Enf Cont Ed	Park & Recreation	Rainy Day	Levy Excess Fund	Cum Cap Imp - Cig Tax
Cash and investments - beginning	\$ 193,239	\$ 37,134	\$ 11,328	\$ -	\$ 6,999	\$ 18,943	\$ 403,017	\$ -	\$ 18,400
Receipts:									
Taxes	496,968	112,089	-	-	-	-	-	-	-
Licenses and permits	34,432	-	-	-	-	-	-	-	-
Intergovernmental	32,586	41,063	16,757	-	-	-	50,800	2,035	3,844
Charges for services	443	-	-	-	935	-	-	-	-
Fines and forfeits	7,580	-	-	-	1,826	-	-	-	-
Utility fees	-	-	-	175	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-	-
Other receipts	41,115	2,555	1	-	-	-	-	-	-
Total receipts	613,124	155,707	16,758	175	2,761	-	50,800	2,035	3,844
Disbursements:									
Personal services	420,154	151,773	-	-	-	-	-	-	-
Supplies	28,176	35,710	18,360	-	168	1,037	-	-	-
Other services and charges	215,722	28,445	2,839	-	640	5,107	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-	-
Capital outlay	62	-	-	-	-	810	-	-	-
Utility operating expenses	-	-	-	175	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-	-
Total disbursements	664,114	215,928	21,199	175	808	6,954	-	-	-
Excess (deficiency) of receipts over disbursements	(50,990)	(60,221)	(4,441)	-	1,953	(6,954)	50,800	2,035	3,844
Cash and investments - ending	\$ 142,249	\$ (23,087)	\$ 6,887	\$ -	\$ 8,952	\$ 11,989	\$ 453,817	\$ 2,035	\$ 22,244

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

	Ccd-Cum Cap Development	Cedit	Water Payroll Escrow	Change Fund	Donation Police	Beach Grant	Donation Rock Garden	Donation Street Dept.
Cash and investments - beginning	\$ 53,374	\$ 177,548	\$ -	\$ 100	\$ 4,518	\$ (11,710)	\$ 882	\$ -
Receipts:								
Taxes	13,307	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	558	96,586	-	-	-	11,710	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	1,568	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	2,788	-	-	-
Total receipts	<u>13,865</u>	<u>96,586</u>	<u>1,568</u>	<u>-</u>	<u>2,788</u>	<u>11,710</u>	<u>-</u>	<u>-</u>
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	4,464	-	-	-
Other services and charges	-	-	-	-	-	10,144	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	29,703	87,130	-	-	-	-	-	-
Utility operating expenses	-	-	4,384	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-	-
Total disbursements	<u>29,703</u>	<u>87,130</u>	<u>4,384</u>	<u>-</u>	<u>4,464</u>	<u>10,144</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(15,838)</u>	<u>9,456</u>	<u>(2,816)</u>	<u>-</u>	<u>(1,676)</u>	<u>1,566</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 37,536</u>	<u>\$ 187,004</u>	<u>\$ (2,816)</u>	<u>\$ 100</u>	<u>\$ 2,842</u>	<u>\$ (10,144)</u>	<u>\$ 882</u>	<u>\$ -</u>

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

	Donation Beaut. Committee	Beach Nourishment	Protective Vest Grant	Lake Mi Coastal Grant	Lk Mich Marina Dvlp Grant	Dredge Settlement	In American Water Grant	Porter County Com. Found.
Cash and investments - beginning	\$ 750	\$ 7,255	\$ (1,477)	\$ 1,656	\$ 15,000	\$ 113,434	\$ 1,855	\$ 5,350
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	862	10,715	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	200	-	-	-	-	271	-	4,945
Total receipts	200	-	862	10,715	-	271	-	4,945
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	950	-	575	4,924	-	-	-	-
Other services and charges	-	156	-	-	-	-	-	2,290
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,750	-	-
Total disbursements	950	156	575	4,924	-	1,750	-	2,290
Excess (deficiency) of receipts over disbursements	(750)	(156)	287	5,791	-	(1,479)	-	2,655
Cash and investments - ending	\$ -	\$ 7,099	\$ (1,190)	\$ 7,447	\$ 15,000	\$ 111,955	\$ 1,855	\$ 8,005

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

	Governors Task Force	Reimbursement	Park Debt	Payroll	Debris Removal Deposits	Trash Utility Operating	Water Utility Operating	Totals
Cash and investments - beginning	\$ 16	\$ -	\$ 67	\$ -	\$ 4,350	\$ 27,049	\$ 37,259	\$ 1,126,336
Receipts:								
Taxes	-	-	55,106	-	-	-	-	677,470
Licenses and permits	-	-	-	-	-	-	-	34,432
Intergovernmental	1,386	-	2,305	-	-	-	-	271,207
Charges for services	-	-	-	-	-	-	-	1,378
Fines and forfeits	-	-	-	-	-	-	-	9,406
Utility fees	-	-	-	-	-	189,786	253,454	444,983
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	4	-	550,504	3,210	-	-	605,593
Total receipts	1,386	4	57,411	550,504	3,210	189,786	253,454	2,044,469
Disbursements:								
Personal services	-	-	-	221,778	-	-	-	793,705
Supplies	-	-	-	-	-	-	-	94,364
Other services and charges	1,411	-	47,788	-	5,310	-	-	319,852
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	117,705
Utility operating expenses	-	-	-	-	-	181,515	234,658	420,732
Other disbursements	-	4	-	329,363	-	-	-	331,117
Total disbursements	1,411	4	47,788	551,141	5,310	181,515	234,658	2,077,475
Excess (deficiency) of receipts over disbursements	(25)	-	9,623	(637)	(2,100)	8,271	18,796	(33,006)
Cash and investments - ending	\$ (9)	\$ -	\$ 9,690	\$ (637)	\$ 2,250	\$ 35,320	\$ 56,055	\$ 1,093,330

TOWN OF OGDEN DUNES
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General Fund	Motor Vehicle Highway	Local Road & Street	Sanitation Payroll Escrow	Law Enf Cont Ed	Park & Recreation	Rainy Day	Levy Excess Fund
Cash and investments - beginning	\$ 142,249	\$ (23,087)	\$ 6,887	\$ -	\$ 8,952	\$ 11,989	\$ 453,817	\$ 2,035
Receipts:								
Taxes	495,376	129,576	-	-	-	15,459	-	-
Licenses and permits	36,273	-	-	-	600	-	-	-
Intergovernmental	34,716	42,556	16,348	-	-	693	-	-
Charges for services	277	-	-	-	1,225	-	-	-
Fines and forfeits	5,840	-	-	-	1,017	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	64,603	49,959	-	526	-	480	-	-
Total receipts	<u>637,085</u>	<u>222,091</u>	<u>16,348</u>	<u>526</u>	<u>2,842</u>	<u>16,632</u>	<u>-</u>	<u>-</u>
Disbursements:								
Personal services	434,367	143,464	-	-	-	-	-	-
Supplies	40,711	28,560	14,129	526	-	11,118	-	-
Other services and charges	156,393	20,024	518	-	2,100	1,155	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	667	-	-	-	-	3,423	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	9,778	-	-	-	-	-	120,000	2,035
Total disbursements	<u>641,916</u>	<u>192,048</u>	<u>14,647</u>	<u>526</u>	<u>2,100</u>	<u>15,696</u>	<u>120,000</u>	<u>2,035</u>
Excess (deficiency) of receipts over disbursements	<u>(4,831)</u>	<u>30,043</u>	<u>1,701</u>	<u>-</u>	<u>742</u>	<u>936</u>	<u>(120,000)</u>	<u>(2,035)</u>
Cash and investments - ending	<u>\$ 137,418</u>	<u>\$ 6,956</u>	<u>\$ 8,588</u>	<u>\$ -</u>	<u>\$ 9,694</u>	<u>\$ 12,925</u>	<u>\$ 333,817</u>	<u>\$ -</u>

TOWN OF OGDEN DUNES
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Cum Cap Imp - Cig Tax	Cod-Cum Cap Development	Cedit	Water Payroll Escrow	Change Fund	Donation Police	Beach Grant	Donation Rock Garden
Cash and investments - beginning	\$ 22,244	\$ 37,536	\$ 187,004	\$ (2,816)	\$ 100	\$ 2,842	\$ (10,144)	\$ 882
Receipts:								
Taxes	-	69,478	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	3,771	3,109	77,191	-	-	-	-	-
Charges for services	-	-	-	-	-	-	30,538	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	75,000	-	5,035	-	19,591	-	-
Total receipts	3,771	147,587	77,191	5,035	-	19,591	30,538	-
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	1,789	-	-	1,513	-	-	499	-
Other services and charges	-	-	-	706	-	11,152	19,895	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	23,908	58,243	244,245	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	2,639	-	-	-	-	-	-
Total disbursements	25,697	60,882	244,245	2,219	-	11,152	20,394	-
Excess (deficiency) of receipts over disbursements	(21,926)	86,705	(167,054)	2,816	-	8,439	10,144	-
Cash and investments - ending	\$ 318	\$ 124,241	\$ 19,950	\$ -	\$ 100	\$ 11,281	\$ -	\$ 882

TOWN OF OGDEN DUNES
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Donation Street Dept.	Donation Beaut. Committee	Beach Nourishment	Protective Vest Grant	Lake Mi Coastal Grant	Lk Mich Marina Dvlp Grant	Dredge Settlement	In American Water Grant
Cash and investments - beginning	\$ -	\$ -	\$ 7,099	\$ (1,190)	\$ 7,447	\$ 15,000	\$ 111,955	\$ 1,855
Receipts:								
Taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-	-
Other receipts	-	4,205	-	1,190	-	-	185	32
Total receipts	-	4,205	-	1,190	-	-	185	32
Disbursements:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-	-
Other disbursements	-	4,203	267	-	-	-	-	1,887
Total disbursements	-	4,203	267	-	-	-	-	1,887
Excess (deficiency) of receipts over disbursements	-	2	(267)	1,190	-	-	185	(1,855)
Cash and investments - ending	\$ -	\$ 2	\$ 6,832	\$ -	\$ 7,447	\$ 15,000	\$ 112,140	\$ -

TOWN OF OGDEN DUNES
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Porter County Com. Found.	Governors Task Force	Park Debt	Payroll	Debris Removal Deposits	Trash Utility Operating	Water Utility Operating	Totals
Cash and investments - beginning	\$ 8,005	\$ (9)	\$ 9,690	\$ (637)	\$ 2,250	\$ 35,320	\$ 56,055	\$ 1,093,330
Receipts:								
Taxes	-	-	40,818	-	-	-	13,271	763,978
Licenses and permits	-	-	-	-	-	-	-	36,873
Intergovernmental	-	-	1,833	-	-	-	-	180,217
Charges for services	-	1,536	-	-	-	178,472	-	212,048
Fines and forfeits	-	-	-	-	-	-	-	6,857
Utility fees	-	-	-	-	-	-	241,568	241,568
Penalties	-	-	-	-	-	-	773	773
Other receipts	5,151	-	-	539,029	900	2,380	1,981	770,247
Total receipts	5,151	1,536	42,651	539,029	900	180,852	257,593	2,212,561
Disbursements:								
Personal services	-	-	-	537,734	-	18,102	-	1,133,667
Supplies	-	-	-	-	-	16,266	-	115,111
Other services and charges	-	-	-	-	-	132,659	-	344,602
Debt service - principal and interest	-	-	12,736	-	-	-	-	12,736
Capital outlay	-	-	-	-	-	-	-	330,486
Utility operating expenses	-	-	-	-	-	-	219,659	219,659
Other disbursements	11,113	1,760	-	-	2,850	11,480	20,070	188,082
Total disbursements	11,113	1,760	12,736	537,734	2,850	178,507	239,729	2,344,343
Excess (deficiency) of receipts over disbursements	(5,962)	(224)	29,915	1,295	(1,950)	2,345	17,864	(131,782)
Cash and investments - ending	\$ 2,043	\$ (233)	\$ 39,605	\$ 658	\$ 300	\$ 37,665	\$ 73,919	\$ 961,548

TOWN OF OGDEN DUNES
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 52,490</u>	<u>\$ -</u>

TOWN OF OGDEN DUNES
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities: Loan	Purchase of Park Property & Equipment	<u>\$ 195,000</u>	<u>\$ 42,571</u>

TOWN OF OGDEN DUNES
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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

	Ending Balance
Governmental activities:	
Land	\$ 847,739
Infrastructure	672,177
Buildings	252,739
Improvements other than buildings	48,883
Machinery, equipment, and vehicles	921,227
Total governmental activities	2,742,765
Water:	
Buildings, pumps, and piping	588,014
Mains, meters, and hydrants	704,104
Office equipment	53,750
Equipment and tools	43,177
Total Water	1,389,045
Total capital assets	\$ 4,131,810

TOWN OF OGDEN DUNES
EXAMINATION RESULTS AND COMMENTS

DEPOSITS

Receipts were tested for the months of June 2010 and July of 2011 for timely deposits. Receipts for June 2010 were deposited anywhere from 6 days to 12 days after the receipt date, and receipts for July 2011 were deposited anywhere from 6 days to 15 days after the receipt date.

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."

INTERNAL CONTROLS OVER RECEIPTS

Controls over computer generated receipts are insufficient due to the fact that the user enters the date of the receipt. Because the user can determine the receipt date, money collected at the beginning of the month can be receipted at the end of the month; therefore, bypassing the prescribed procedure for receipt issuance. This ability to predate receipts leads to the appearance of receipts being issued out of sequential order.

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)

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)

UTILITIES COLLECTIONS

The Town bills residents quarterly for water, and sanitation. Billings are made on a two part post card. Each part of the post card will indicate a payment due without a penalty, if payment is made by a specified date, and a second amount is printed on the card to indicate the amount due with the penalty if paid after the specified date. The customer, upon paying their bill, will have one part of the card returned to them to serve as a receipt, which the other part is to be retained by the Town. Each part should be marked by the Clerk to indicate the dollar amount paid. In the event that a card is not returned by the customer with their payment, the Clerk should prepare a card designating the dollar amount received.

The following deficiencies were noted:

1. A billing card was not maintained to support all collections received. Many times, it was because the customer did not return the card, and the Clerk did not prepare a card to support the collections received.
2. The dollar amount collected was designated on only a few of the cards.
3. Some cards indicated the same amount was due, regardless of when the payment due date was. (A penalty was not applied when the billing was performed.)

TOWN OF OGDEN DUNES
EXAMINATION RESULTS AND COMMENTS
(Continued)

4. The Water Superintendent, who prepares the billings, will also make adjustments. Most adjustments are due to inaccurate meter readings, but some involve waiving fees. For example, a penalty may be waived because the customer maintains a timely payment history, or a water connect or disconnect fee may be waived based upon individual circumstances as determined by the Water Superintendent. None of these adjustments are submitted to the Water Board for approval.

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)

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)

BUILDING PERMITS

Building permits were issued for landscaping, retaining walls, concrete patios and deck repairs. The Town Code 152.203 "Permits, Filing Fees, and Deposits" does not address a fee for landscaping, retaining walls, concrete patio or deck repair. The fee that was charged to the property owner for the landscaping and retaining walls was the fee under the category of "Repair Permit", the fee that was charged to the property owner for the concrete patio and the deck repair was the fee under the category of "Roof Repairs."

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

RAINY DAY FUND

The Town did not submit a formal budget for approval by the Department of Local Government Finance for the Rainy Day Fund. The Town expended \$120,000 in 2011.

Indiana Code 36-1-8-5.1 Sec. 5.1 (c) states: "The rainy day fund is subject to the same appropriation process as other funds that receive tax money."

APPROPRIATIONS - MOTOR VEHICLE HIGHWAY FUND

The Motor Vehicle Highway Fund expenditures were in excess of the budgeted appropriations for the years 2010 and 2011 in the amounts of \$11,521 and \$47,938, respectively.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

TOWN OF OGDEN DUNES
EXAMINATION RESULTS AND COMMENTS
(Continued)

PAYROLL ISSUES

Not all compensation paid to employees of the Town and Utilities were addressed in the Salary Ordinances adopted by the Town Council. Examples include the salary paid to the Water Superintendent, compensation paid to the former Clerk-Treasurer for taking water samples, and the rate of pay for the sanitation field coordinator. Furthermore, the compensation approved by the Water Utility Board for the Water Superintendent was approved as an hourly rate. While he maintained a calendar documenting the hours he worked, the Town paid him a salary.

Indiana Code 36-5-3-2 states in part:

"(b) The town legislative body shall, by ordinance, fix the compensation of its own members, the town clerk-treasurer, and the town marshal. The legislative body shall provide reasonable compensation for other town officers and employees.

(c) The compensation of an elected town officer may not be changed in the year for which it is fixed, nor may it be reduced below the amount fixed for the previous year.

(d) The legislative body may provide that town officers and employees receive additional compensation for services that:

- (1) are performed for the town;
- (2) are not governmental in nature; and
- (3) are connected with the operation of a municipally owned utility or function.

Subject to the approval of the legislative body, the administrative agency operating the utility or function shall fix the amount of the additional compensation, which shall be paid from the revenues of the utility or function."

The former Clerk-Treasurer worked in three different positions for the Town. She held office as the Clerk-Treasurer, and received additional compensation for holding the position of Water Clerk, and for taking water samples. Records of time worked were maintained for only one of the positions (water clerk).

Indiana Code 5-11-9-4 (b) states in part:

"The state board of accounts shall require that records be maintained showing which hours were worked each day by officers and employees:

- . . . (2) employed by more than one (1) public agency or in more than one (1) position by the same public agency described in section 1 or 2 of this chapter.

VENDOR DISBURSEMENTS

The Town contracted for road paving services in 2010 and 2011. In each year, the Town advertised for bids and awarded the contract to the lowest most responsive bidder. In 2010, based upon the invoice from the vendor, the contract price was increased by change orders by \$10,860; however, documentation

TOWN OF OGDEN DUNES
EXAMINATION RESULTS AND COMMENTS
(Continued)

could not be provided for examination that the change orders were properly approved by Town officials. In 2011, the "Proposal and Contract" signed by Town officials indicated the paving work would cost \$228,099.05. Upon completion of the work, the Contractor billed the Town \$307,030.60, which was a 34 percent increase over the original contract. Once again, documentation could not be provided for examination that change orders were properly executed by Town Officials. The Town disputed the billing, and settled the claim with the Contractor for a total of \$286,037.88, or a 25 percent increase over the original contract.

The Town pays claims involving other services for which contracts are not initiated. Such services include the cleaning of the Town Hall, and beach water sampling. For the beach water sampling, a committee person, who oversees the grant from which the funds are disbursed negotiates and establishes the rates of pay for the beach water sampling services. These rates are not addressed in a contract or salary ordinance approved by the Town Council.

The Town Council has not adopted a travel policy to provide guidance and authority for reimbursement to employees and officials for business related travel; however, the Town has a policy for mileage reimbursement. Per the "Mileage Reimbursement" policy, "The rate of reimbursement shall be a sum for mileage equal to that sum per mile paid to state officers and employees." Some claims indicated that officials and employees were reimbursed fuel costs by presenting a receipt for fuel, while others indicated employees were reimbursed at a mileage rate of either \$0.50 or \$0.55 per mile, which exceed the mileage reimbursement rate for state officers and employees.

Claims are being approved by the Town Council after the checks have been issued. The Town has an ordinance to allow for certain items to be paid in advance of Town Council approval, but claims not meeting the criteria established by the ordinance were also paid in advance.

Indiana Code 36-1-12-18 states in part:

"(a) If, in the course of the construction, reconstruction, or repair of a public work project, it becomes necessary to change or alter the original specifications, a change order may be issued to add, delete, or change an item or items in the original contract. The change order becomes an addendum to the contract and must be approved and signed by the board and the contractor. . . .

(d) The total of all change orders issued that increase the scope of the project may not exceed twenty percent (20%) of the amount of the original contract. A change order issued as a result of circumstances that could not have been reasonably foreseen does not increase the scope of the project.

(e) All change orders must be directly related to the original public work project.

(f) If additional units of materials included in the original contract are needed, the cost of these units in the change order must be the same as those shown in the original 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)

Each governmental unit should adopt a written travel policy in conformity with applicable statutes.

Reimbursement for lodging and meals should be based upon actual receipts for amounts paid unless otherwise authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF OGDEN DUNES
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-10-1.6(c) states in part:

"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 OGDEN DUNES
EXIT CONFERENCE

The contents of this report were discussed on March 7, 2013, with Jean Manna, Clerk-Treasurer; Donna Smith, former Clerk-Treasurer; James Kopp, Superintendent of the Water Utility; Terry Easton, member of the Water Board; and Allen Johnson, President of the Town Council. The Official Response has been made a part of this report and may be found on pages 31 through 33.

TOWN OF OGDEN DUNES

115 Hillcrest Road
Ogden Dunes, IN 46368
219-762-1425 Office

March 15, 2013

State Board of Accounts
302 West Washington Street
Room E 418
Indianapolis, IN 46204

**RE: OFFICIAL RESPONSE
AUDIT YEARS 2010 AND 2011
TOWN OF OGDEN DUNES**

The following is the response from the Town of Ogden Dunes regarding discrepancies reported by State Auditors for the above audit period:

DEPOSITS

Due to vacation times, deposits were held. To assure that this does not happen in the future, two employees will be assigned to deposits to cover lapse in time due to sick or vacation time.

INTERNAL CONTROLS OVER RECEIPTS

Receipts posted into the computer will no longer be posted to match the date of the actual receipt. Instead, entries will be dated on the actual entry date.

UTILITIES COLLECTIONS

The Billing Clerk will make a copy of the cash receipt given to the customer and per the auditors this will suffice instead of preparing a blank stub when the customer fails to provide his payment stub.

The Water Superintendent shall in the future provide the Water Board with all adjustments made to resident water bills for approval before final adjustments are made.

RAINY DAY FUNDS

This was an unintentional oversight by the Town as we were not aware that a formal budget request for approval by the DLGF was necessary. Future transfers from the Rainy Day fund will be processed in accordance with IC 36-1-8-5.1 Sec 5.1(c)

PAYROLL ISSUES

These issues are being addressed by the Ogden Dunes Town Council. An amended salary ordinance (No. 776) will include salary paid to the Water Superintendent and Sanitation Field Coordinator.

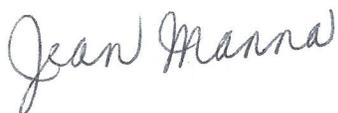
VENDOR DISBURSEMENTS

In regards to the Walsh and Kelly paving contract, it was stated in the contract that the Town of Ogden Dunes would pay additional fees for each additional ton of asphalt over the bid. We did receive the asphalt as shown by the delivery tickets.

The contractor used more asphalt than anticipated in the original bid and we were obligated by contract to pay the additional dollar amount per ton. The Town could have gone to court and argued that the contractor should not have used so much material but there was no guarantee the Town would have won and financially it was not feasible. A court battle would entail attorney fees and additional interest on the balance due on the contract. Faced with these problems, the Council felt settlement out of court was the best approach. This was a negotiated settlement approved by the Town Council and it did result in considerable savings from the first bill the contractor presented to the Town of Ogden Dunes. There was no change order required in this situation as the price of the job is stipulated in the contract based on eventual usage of asphalt.

All contracts for "other services" have been corrected. Contracts have been written and signed by the Town Council and individuals providing the services, i.e., web administrator, cleaning services, etc.

Ordinance No. 777 will address the travel policy requested by the State Auditors and all corrections per the Auditors will be made.



Jean Manna
Clerk-Treasurer
Town of Ogden Dunes