

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF BRAZIL

CLAY COUNTY, INDIANA

January 1, 2013 to December 31, 2013



FILED
02/20/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Karen McQueen	01-01-12 to 12-31-15
Mayor	Brian Wyndham	01-01-12 to 12-31-15
President of the Board of Public Works	Brian Wyndham	01-01-12 to 12-31-15
President Pro Tempore of the Common Council	P. Brad Deal Tyler W. Hutcheson	01-01-13 to 12-31-13 01-01-14 to 12-31-14
Utility Office Manager	Sheryl Hill Delores M. Elder	01-01-13 to 03-17-13 03-18-13 to 12-31-14
Superintendent of Water Utility	Jacob D. Raubach	01-01-13 to 12-31-14
Superintendent of Wastewater Utility	William Goodrich	01-01-13 to 12-31-14



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF BRAZIL, CLAY COUNTY, INDIANA

This report is supplemental to our audit report of the City of Brazil (City), for the period from January 1, 2013 to December 31, 2013. It has been provided as a separate report so that the reader may easily identify any Federal Findings and Audit Results and Comments that pertain to the City. It should be read in conjunction with our Financial Statement and Federal Single Audit Report of the City, which provides our opinions on the City's financial statement and federal program compliance. This report may be found at www.in.gov/sboa/.

The Federal Findings, identified in the above referenced audit report, are included in this report and should be viewed in conjunction with the Audit Results and Comments as described below.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Audit Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Corrective Action Plan for the Federal Findings, incorporated within this report, was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

December 3, 2014

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CLERK-TREASURER
CITY OF BRAZIL

CLERK-TREASURER
CITY OF BRAZIL
FEDERAL FINDINGS

**FINDING 2013-001 - INTERNAL CONTROLS AND COMPLIANCE
OVER FINANCIAL TRANSACTIONS AND REPORTING**

We noted several deficiencies in the internal control system of the City related to financial transactions and reporting.

1. Lack of Segregation of Duties: The City has not separated incompatible activities related to receipts, disbursements including payroll, and cash. The City has a control in place for receipts, but the Clerk-Treasurer does not document her review of the Daily Cash Collection Register to the deposit ticket which is completed by the Deputy Clerk-Treasurer. One employee in the Clerk-Treasurer's Office prepares the payroll and no one else reviews it. Bank reconciliements are prepared by one employee but no one else reviews the reconciliation. The failure to establish these controls could enable material misstatements or irregularities to remain undetected. Control activities should be in place to reduce the risks of errors in financial reporting.
2. Monitoring of Controls: An evaluation of the City's system of internal control has not been conducted. The failure to monitor the internal control system places the City at risk that controls may not be either designed properly or operating effectively to provide reasonable assurance that controls will prevent, or detect and correct, material misstatements in a timely manner. Additionally, the City has no process to identify or communicate corrective actions to improve controls. Effective internal controls over financial reporting require the City to monitor and assess the quality of the system of internal control.
3. The financial information entered into the Annual Financial Report on Gateway was used to compile the financial statement. The receipts and disbursements reported in the Annual Financial Report for the Payroll Fund were both understated in the amount of \$3,358,261. Audit adjustments were proposed, accepted by the City, and made to the financial statement presented in this report.

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. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

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)

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

CLERK-TREASURER
CITY OF BRAZIL
FEDERAL FINDINGS
(Continued)

**FINDING 2013-002 - INTERNAL CONTROLS AND COMPLIANCE OVER
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The City did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA). The City should have proper controls in place over the preparation of the SEFA to ensure accurate reporting of federal awards. Without a proper system of internal control in place that operates effectively, material misstatements of the SEFA could remain undetected.

During the audit of the SEFA, we noted the following errors: Two projects were omitted from the SEFA, the Highway Planning and Construction Grant (Pogues Run Detention Pond), and the Recreational Trails Program. Incorrect amounts were reported for the Highway Planning and Construction (Lighting Grant), Capitalization Grants for Drinking Water State Revolving Funds, and the Disaster Grant - Public Assistance (Presidentially Declared Disasters). The Community Development Block Grant was included on the schedule but did not have any activity for the audit period. The errors resulted in total expenditures reported on the SEFA being overstated by \$568,620. Audit adjustments were proposed, accepted by the City, and made to the SEFA presented in this report.

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. Among other things, segregation of duties, safeguarding controls over cash and all other assets, and all forms of information processing are necessary for proper internal control.

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 of Indiana, Chapter 7)

OMB Circular A-133, Subpart C, section .300 states in part: "The auditee shall: . . . (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with section .310."

OMB Circular A-133, Subpart C, section .310(b) states:

"Schedule of expenditures of Federal awards. The auditee shall also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple award years, the auditee may list the amount of Federal awards expended for each award year separately. At a minimum, the schedule shall:

- (1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs. For R&D, total Federal awards expended shall be shown either by individual award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity shall be included.

CLERK-TREASURER
CITY OF BRAZIL
FEDERAL FINDINGS
(Continued)

- (3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.
- (4) Include notes that describe the significant accounting policies used in preparing the schedule.
- (5) To the extent practical, pass-through entities should identify in the schedule the total amount provided to subrecipients from each Federal program.
- (6) Include, in either the schedule or a note to the schedule, the value of the Federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. While not required, it is preferable to present this information in the schedule."

FINDING 2013-003 - INTERNAL CONTROLS OVER THE RECREATIONAL TRAILS PROGRAM

Federal Agency: Department of Transportation

Federal Program: Recreational Trails Program

CFDA Number: 20.219

Federal Award Number and Year (or Other Identifying Number): RT-08-002/2013

Pass-Through Entity: Indiana Department of Natural Resources

Management of the City has not established an effective internal control system, which would include segregation of duties, related to the grant agreement and the following compliance requirements: Cash Management; Procurement and Suspension and Debarment; and Subrecipient Monitoring. The City received a grant for a recreational trail and passed the money through to the Clay Community Parks Association (Parks Association). The City did not have any documentation for this grant and did not monitor the subrecipient. The only documentation on file at the City was an EFT notice and a copy of the check written to the Parks Association, additional records were obtained for audit from the Parks Association.

The failure to establish an effective internal control system places the City at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could also allow noncompliance with compliance requirements and allow the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the program.

An internal control system, including segregation of duties, should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement, or a type of compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis. In order to have an effective internal control system, it is important to have proper segregation of duties. This is accomplished by making sure proper oversight, reviews, and approvals take place and to have a separation of functions over certain activities related to the program. The fundamental premise of segregation of duties is that an individual or small group of individuals should not be in a position to initiate, approve, undertake, and review the same activity.

CLERK-TREASURER
CITY OF BRAZIL
FEDERAL FINDINGS
(Continued)

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

The failure to establish internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements that have a direct and material effect to the program could result in the loss of federal funds to the City.

We recommended that the City's management establish controls, including segregation of duties, related to the grant agreement and all compliance requirements that have a direct and material effect to the program.

FINDING 2013-004 - SUBRECIPIENT MONITORING

Federal Agency: Department of Transportation

Federal Program: Recreational Trails Program

CFDA Number: 20.219

Federal Award Number and Year (or Other Identifying Number): RT-08-002/2013

Pass-Through Entity: Indiana Department of Natural Resources

The City received a federal award for a walking trail project at Craig Park and subsequently passed through the entire federal award in the amount of \$130,277 to the Clay Community Parks Association (Parks Association) to design and build the walking trail. The City could not provide any documentation that the expenditure of those funds was monitored. The City did not have procedures in place to monitor the reports compiled by the Parks Association. Records were obtained for audit from the Parks Association.

Due to the lack of procedures for monitoring the subrecipient, the City could not ensure that the federal awards had been used in compliance with laws, regulations and the provisions of the grant agreement. Any misuse of the federal funds by the Clay Community Parks Association would not have been detected by the City.

OMB Circular A-133___.400(d) states in part:

"Pass-through entity responsibilities. A pass-through entity shall perform the following for the Federal awards it makes: . . .

- (3) Monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved."

Noncompliance with the grant agreement or the compliance requirements that the compliance have a direct and material effect to the program could result in the loss of federal funds to the City.

We recommended that the City develop procedures to ensure that the compliance requirements for Subrecipient Monitoring are being met.

CLERK-TREASURER
CITY OF BRAZIL
FEDERAL FINDINGS
(Continued)

FINDING 2013-005 - INTERNAL CONTROL AND COMPLIANCE OVER CASH MANAGEMENT

Federal Agency: Department of Transportation
Federal Program: Highway Planning and Construction
CFDA Number: 20.205
Federal Award Number and Year (or Other Identifying Number): DES#1173127
Pass-Through Entity: Indiana Department of Transportation

Management of the City has an internal control system in place but the controls were not adequately implemented for the Cash Management compliance requirement for the Highway Planning and Construction (Lighting Grant). The controls were not effective in making sure that the City paid the project engineer before requesting reimbursement as required by the contract with the Indiana Department of Transportation (INDOT).

The failure to establish an effective internal control system places the City at risk of noncompliance with the grant agreement and the compliance requirements. An internal control system should be designed and operate effectively to provide reasonable assurance that material noncompliance with the grant agreement or a compliance requirement of a federal program will be prevented, or detected and corrected, on a timely basis.

The City did not comply with the Cash Management requirement to pay vendors before requesting reimbursement from INDOT. The City submitted reimbursement requests claiming expenses incurred for the project engineer prior to paying those expenses in 100 percent of the reimbursement requests tested.

OMB Circular A-133, Subpart C, section .300 states in part:

"The auditee shall: . . . (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

Section VI-N of the Indiana Department of Transportation - Local Public Agency Project Coordination contract between the City and INDOT states in part: "All payments made by INDOT, if any, shall be made in arrears in conformance with State fiscal policies and procedures . . ."

The failure to adequately implement internal controls could enable material noncompliance to go undetected. Noncompliance of the grant agreement or the compliance requirements could result in the loss of federal funds to the City.

We recommended that the City's management develop and implement procedures and controls to ensure that the compliance requirement for Cash Management is being met.



CITY OF BRAZIL

Karen McQueen, Clerk-Treasurer

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CORRECTIVE ACTION PLAN

1. **FINDING 2013-001 – INTERNAL CONTROLS AND COMPLIANCE OVER FINANCIAL TRANSACTIONS AND REPORTING**

Contact Person Responsible for Corrective Action: Karen McQueen, Clerk-Treasurer

Contact Phone Number: (812) 448-8403

Description of Corrective Action Plan:

- A) Lack of Segregation of Duties: The Clerk-Treasurer will now start to sign all Daily Cash Collection registers from the computer. There will also be a second set of eyes reviewing and signing off on City of Brazil Payroll and City of Brazil Bank Reconcilements after they are completed. Signing these documents will provide evidence that the documents have been reviewed.
- B) In 2015, the Clerk Treasurer will complete the 2014 Annual Report, with the assistance of Umbaugh and Associates, instead of Umbaugh and Associates completing the report and the Clerk-Treasurer assisting. The City of Brazil's Annual Report will then be reviewed. This procedure will hopefully eliminate future errors.

Anticipated Completion Date: These procedures will be implemented immediately.

2. **FINDING 2013-002 – INTERNAL CONTROLS AND COMPLIANCE OVER THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Contact Person Responsible for Corrective Action: Karen McQueen, Clerk-Treasurer

Contact Phone Number: (812) 448-8403

Description of Corrective Action Plan:

- A.) In 2015 the Clerk-Treasurer will complete the SEFA with the assistance of Umbaugh and Associates. The SEFA will then be reviewed. This procedure will hopefully eliminate future errors.

Anticipated Completion Date: February 2015

3. **FINDING 2013-003 – INTERNAL CONTROLS OVER THE RECREATIONAL TRAILS PROGRAM**

Contact Person Responsible for Corrective Action: Karen McQueen, Clerk-Treasurer

Karen McQueen, Clerk-Treasurer • Patty Bedwell, Deputy 1

Contact Phone Number: (812) 448-8403

Description of Corrective Action Plan:

- A.) The Clerk-Treasurer and the City of Brazil will now handle all sub-recipient grant money and payables in house, instead of passing money and payables to the sub-recipients. This procedure will hopefully eliminate future errors and keep the Clerk-Treasurer more informed. It is also very important for the Clerk-Treasurer to be informed of all meetings involving grants with the City of Brazil.

Anticipated Completion Date: Current

4. FINDING 2013-004 – SUB-RECIPIENT MONITORING (RECREATIONAL TRAILS PROGRAM)

Contact Person Responsible for Corrective Action: Karen McQueen, Clerk-Treasurer

Contact Phone Number: (812) 448-8403

Description of Corrective Action Plan:

- A.) The Clerk-Treasurer and the City of Brazil will now handle all sub-recipient grant money and payables in house instead of passing money and payables to the sub-recipients. This procedure will hopefully eliminate future errors and keep the Clerk-Treasurer more informed. It is also very important for the Clerk-Treasurer to be informed of all meetings involving grants with the City of Brazil.

Anticipated Completion Date: Current

5. FINDING 2013-005 – INTERNAL CONTROL AND COMPLIANCE OVER CASH MANAGEMENT (LIGHTING GRANT)

Contact Person Responsible for Corrective Action: Karen McQueen, Clerk-Treasurer

Contact Phone Number: (812) 448-8403

Description of Corrective Action Plan:

- A.) The Clerk-Treasurer's Office and the Utility Office will handle all Accounts Payable and Receivable for all grants received by the City of Brazil. Vendors and banks will also be informed to communicate directly with one of these offices for payments and deposits of funds.

Anticipated Completion Date: Current

Karen McQueen
(Signature)

Clerk-Treasurer
(Title)

11-24-2014
(Date)

CLERK-TREASURER
CITY OF BRAZIL
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances prepared by the City were incorrect for the City General Treasury Account, Golf Course Account, Health Reimbursement fund and the Payroll Account. There were numerous double postings and uncorrected errors.

A similar comment was included in prior Reports B40653 and B42495.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN CASH BALANCES

The financial statement presented for audit included the following funds with overdrawn cash balances at December 31, 2013:

Fund	Amount Overdrawn
Cumulative Drainage Fund	\$ 1,601
Cemetery	8,119
Emergency Response Team	2,306
Traffic Safety	5,496
2007 PW Loan	187,597
Pogues Run Grant	108,050
Water Improvement	509,937

Errors were made in 2013 to cause the 2007 PW Loan fund and Water Improvement fund to be overdrawn at December 31, 2013. Adjusting entries were made in 2014 to correct the errors.

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)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

Fund	Excess Amount Expended
Rainy Day Fund	\$ <u>33,019</u>

CLERK-TREASURER
CITY OF BRAZIL
AUDIT RESULTS AND COMMENTS
(Continued)

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."

The rainy day fund is subject to the same appropriation process as other funds that receive tax money. The Department of Local Government Finance may not reduce the actual or maximum permissible levy of a city or town as a result of a balance on the rainy day fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 3)

CONDITION OF RECORDS

Several errors were identified as follows:

1. The distributions from the state dated October 7, 2013, were double posted in the City's ledger causing an overstatement in the following funds: General Fund \$4,205; Local Rds & Sts \$2,990; and MVH \$19,459.
2. The state distribution dated May 5, 2013, from the Indiana Department of Transportation (INDOT) was erroneously posted to the General Fund and then correctly posted to the CCD fund. This distribution was then posted to the General Fund again on July 31, causing a double posting error and overstatement of the General Fund of \$18,944.
3. The state distributions dated August 7, 2013, from INDOT for \$332,414 was erroneously posted to the General Fund. A correction was made to correct the error and it was posted to the Sewer - Construction fund. The distribution should have been posted to the Pogues Run Grant fund to correct the error.

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)

CLERK-TREASURER
CITY OF BRAZIL
EXIT CONFERENCE

The contents of this report were discussed on December 3, 2014, with Brian Wyndham, Mayor; Tyler W. Hutcheson, President Pro Tempore of the Common Council; and Karen McQueen, Clerk-Treasurer.

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MUNICIPAL UTILITIES
CITY OF BRAZIL

MUNICIPAL UTILITIES
CITY OF BRAZIL
AUDIT RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were incorrect for the Utilities Pooled Cash Account. There were numerous double postings and uncorrected errors.

A similar comment was included in prior Reports B40653 and B42495.

The City did not provide reconciliations for two of the bank accounts for the Utilities. Those were: Water Bond and Interest at Bank of New York and Water Debt Reserve at Bank of New York.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN CASH BALANCES

The financial statements presented for audit included the following funds with overdrawn cash balances at December 31, 2013:

<u>Fund</u>	<u>Amount Overdrawn</u>
Water Improvement	<u>\$ 509,937</u>

Errors were made in 2013 to cause the 2007 PW Loan fund and Water Improvement fund to be overdrawn at December 31, 2013. Adjusting entries were made in 2014 to correct the errors.

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)

MUNICIPAL UTILITIES
CITY OF BRAZIL
AUDIT RESULTS AND COMMENTS
(Continued)

SALES TAX NOT COLLECTED OR REMITTED

The Water Utility collected the proper sales tax for utility services from its customers. The Water Utility remitted the sales tax collected to the Indiana Department of Revenue except they applied a discount to the amount remitted. Utilities are not eligible for the discount. This resulted in an underpayment of \$3,388.

The retail sale of tangible personal property, utility services or commodities in the performance of private or proprietary activities are subject to sales tax. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

All questions concerning the law or procedure for paying and collecting sales tax should be directed to the Indiana Department of Revenue, Sales Tax Division, Indiana Government Center North, Indianapolis, Indiana, 46204, telephone number (317) 233-4015. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONDITION OF RECORDS

The following funds, each having their own bank accounts, were not included on the ledger but were included on the Annual Financial Report: Water Bond and Interest and Water Debt Reserve Rsrv. The ending cash and investment balances for all of the funds totaled \$397,432.

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)

MUNICIPAL UTILITIES
CITY OF BRAZIL
EXIT CONFERENCE

The contents of this report were discussed on December 3, 2014, with Brian Wyndham, Mayor; Tyler W. Hutcheson, President Pro Tempore of the Common Council; Karen McQueen, Clerk-Treasurer; Sheryl Hill, Assistant Utility Office Manager; and Delores M. Elder, Utility Office Manager.

PARK DEPARTMENT
CITY OF BRAZIL

PARK DEPARTMENT
CITY OF BRAZIL
AUDIT RESULT AND COMMENT

CONTRACTS

A contract was entered into with the Clay County Humane Society (concessionaire) to operate the concession stand near the park pavilion for the year 2013. The concessionaire did not make the required \$500 payment to the Parks fund for the privilege of operating the concession stand for the year 2013.

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)

PARK DEPARTMENT
CITY OF BRAZIL
EXIT CONFERENCE

The contents of this report were discussed on December 3, 2014, with Brian Wyndham, Mayor; Tyler W. Hutcheson, President Pro Tempore of the Common Council; Linda Messmer, Park Board President; and Karen McQueen, Clerk-Treasurer.