

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

EXAMINATION REPORT
OF
TOWN OF VEVAY
SWITZERLAND COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5-6
Supplementary Information:	
Schedule of Long-Term Debt	7
Examination Results and Comments:	
Overdrawn Funds	8
Appropriations.....	8-9
Financial Information Not Recorded in the Financial Records	9
Incomplete Annual Financial Reports.....	9
Penalties, Interest, and Other Charges	10
Contract Overpayment	10
Insufficient Supporting Documentation for Street Resurfacing	10-11
Quotes Not Obtained on Street Patching Projects	11
Donations.....	12
Local Pension Plan	12
Capital Asset Records	12
Canceled Checks and Optical Images of Warrants.....	12-13
Camp Rental Fees.....	13-14
Penalties Not Applied	14
Adjustments	14
Official Bond	14-15
Utility Receipts Tax Returns	15
Exit Conference.....	16

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Donna Graham	01-01-04 to 12-31-11
President of the Town Council	Keith Smith	01-01-06 to 08-31-06
	Pete Furnish	09-01-06 to 12-31-07
	Tye Sullivan	01-01-08 to 12-31-08
Utilities Superintendent	Terry Brindley	01-01-06 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF VEVAY, SWITZERLAND COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Vevay (Town), for the period of January 1, 2006 to December 31, 2007. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

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

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2006 and 2007, based on the criteria set forth in uniform compliance guidelines established by the Indiana State Board of Accounts.

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

STATE BOARD OF ACCOUNTS

November 17, 2008

TOWN OF VEVAY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY, AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments		Cash and Investments	
	01-01-06	Receipts	Disbursements	12-31-06
Governmental Funds:				
General	\$ 177,766	\$ 428,417	\$ 479,100	\$ 127,083
Motor Vehicle Highway	63,875	63,000	51,825	75,050
Local Road and Street	24,291	6,249	495	30,045
Park and Recreation	3,220	19,669	19,034	3,855
Park and Recreation Riverfront Donation	4,542	65,250	45,586	24,206
Animal Shelter	489	495	310	674
Law Enforcement Continuing Education	210	598	-	808
Riverboat	1,382,907	1,624,275	2,071,749	935,433
Cemetery Paved Street Donation	1,855	-	-	1,855
Nine West Building	421,887	-	-	421,887
Cumulative Capital Improvement	51,505	6,198	-	57,703
Nonreverting Storm Drain	4,983	685,866	621,605	69,244
Trash	(2,123)	78,103	76,572	(592)
Cemetery	11,423	38,988	39,968	10,443
Police Equipment	-	32,350	4,117	28,233
Proprietary Funds:				
Water Utility - Operating	31,168	183,357	172,451	42,074
Water Utility - Depreciation	963	1,261	-	2,224
Water Utility - Customer Deposit	16,202	715	1,361	15,556
Water Utility - Construction	62,258	-	-	62,258
Wastewater Utility - Operating	1,101	286,455	303,189	(15,633)
Wastewater Utility - Bond and Interest	47,226	28,094	32,335	42,985
Wastewater Utility - Depreciation	57,330	17,174	19,704	54,800
Wastewater Utility - Reserve	39,606	-	-	39,606
Wastewater Utility - Customer Deposit	7,582	580	80	8,082
Wastewater Utility - Construction	(19,836)	-	-	(19,836)
Fiduciary Funds:				
Cemetery Perpetual Care	177,724	4,670	-	182,394
Payroll	-	509,069	509,069	-
Totals	\$ 2,568,154	\$ 4,080,833	\$ 4,448,550	\$ 2,200,437

	Cash and Investments		Cash and Investments	
	01-01-07	Receipts	Disbursements	12-31-07
Governmental Funds:				
General	\$ 127,083	\$ 456,067	\$ 522,896	\$ 60,254
Motor Vehicle Highway	75,050	61,714	44,423	92,341
Local Road and Street	30,045	6,325	760	35,610
Park and Recreation	3,855	20,411	20,604	3,662
Park and Recreation Riverfront Donation	24,206	34,634	48,748	10,092
Animal Shelter	674	220	545	349
Law Enforcement Continuing Education	808	913	355	1,366
Riverboat	935,433	881,269	845,383	971,319
Cemetery Paved Street Donation	1,855	30	-	1,885
Nine West Building	421,887	-	-	421,887
Cumulative Capital Improvement	57,703	6,094	-	63,797
Nonreverting Storm Drain	69,244	8,724	10,005	67,963
Trash	(592)	78,766	91,425	(13,251)
Cemetery	10,443	39,062	50,229	(724)
Police Equipment	28,233	12,852	-	41,085
Proprietary Funds:				
Water Utility - Operating	42,074	203,404	180,755	64,723
Water Utility - Depreciation	2,224	-	-	2,224
Water Utility - Customer Deposit	15,556	575	25	16,106
Water Utility - Construction	62,258	-	-	62,258
Wastewater Utility - Operating	(15,633)	268,531	226,166	26,732
Wastewater Utility - Bond and Interest	42,985	25,052	34,185	33,852
Wastewater Utility - Depreciation	54,800	-	-	54,800
Wastewater Utility - Reserve	39,606	-	-	39,606
Wastewater Utility - Customer Deposit	8,082	460	20	8,522
Wastewater Utility - Construction	(19,836)	-	-	(19,836)
Fiduciary Funds:				
Cemetery Perpetual Care	182,394	10,208	-	192,602
Payroll	-	561,697	561,607	90
Totals	\$ 2,200,437	\$ 2,677,008	\$ 2,638,131	\$ 2,239,314

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

TOWN OF VEVA
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety (police and fire), highways and streets, sanitation, culture and recreation, public improvements, planning and zoning, urban redevelopment, general administrative services, water, and wastewater.

Note 2. Fund Accounting

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

Note 3. Budgets

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

Note 4. Property Taxes

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

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF VEWAY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Switzerland County Natural Gas Company, Inc.

In 1989, the Town of Vevay received Switzerland County Natural Gas Company, Inc., (Switzco) common stock as a gift from the Paul Ogle Foundation, Inc. The Town owns 533 shares or 26.7% of the 2000 shares of stock outstanding. The following is summarized information from Switzco's audited financial statements at December 31, 2007:

Current assets	\$ 662,717
Noncurrent assets	2,055,643
Current liabilities	769,270
Noncurrent liabilities	1,743,890
Stockholders' equity	205,200
Operating income	34,870
Net income	8,927
Dividends paid	3,000

On April 5, 2007, the Town received \$800 of the dividends declared by Switzco.

The above financial information is not included in the Schedule of Receipts, Disbursements, and Cash and Investment Balances.

Note 7. Subsequent Event

On January 25, 2008, the Town's Riverboat Fund paid the Sewage Works Revenue Bond of 1992 off early in the amount of \$452,332, including accrued interest.

TOWN OF VEVAY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year*
Business-type Activities:		
Wastewater Utility		
1992 Sewage works revenue bond	\$ 448,700	\$ 452,332

* On January 25, 2008, the revenue bond was paid off early.

TOWN OF VEVAY
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUNDS (Applies to Clerk-Treasurer)

The following funds were overdrawn:

Fund	2006	2007
Trash	\$ 592	\$ 13,251
Cemetery	-	724
Wastewater Utility - Operating	15,633	-
Wastewater Utility - Construction	19,836	19,836
Total overdrawn funds	\$ 36,061	\$ 33,811

The fund 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 (Applies to Town Council and Clerk-Treasurer)

Expenditures exceeded approved appropriations as follows:

1. Funds requiring approval by the Town Council and the Indiana Department of Local Government Finance:

Fund	2006	2007
General	\$ 18,592	\$ 110,691
Motor Vehicle Highway	1,825	-
Local Road and Street	495	760
Park and Recreation	-	604
Cemetery	-	10,829

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."

2. The Town expended \$2,071,749 and \$845,383 in the years 2006 and 2007, respectively, from the Riverboat Fund without annual appropriations being approved by the Town Council.

Indiana Code 36-4-8-2 states in part:

"Unless a statute provides otherwise, the fiscal officer may draw a warrant against a fund of the city only if:

TOWN OF VEVA
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (1) an appropriation has been made for that purpose and the appropriation is not exhausted . . ."

A similar comment was made in the prior Report B28601.

FINANCIAL INFORMATION NOT RECORDED IN THE
FINANCIAL RECORDS (Applies to the Clerk-Treasurer)

The following financial information was not recorded in the financial records:

1. Investments in the amounts of \$832,747 and \$849,844 at December 31, 2006 and 2007, respectively.
2. Interest earned and other receipts in the amounts of \$21,970 and \$17,097 during the years 2006 and 2007, respectively.

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)

INCOMPLETE ANNUAL FINANCIAL REPORTS (Applies to Clerk-Treasurer)

The various parts of City and Town Annual Report (Form CTAR-1) for the years 2006 and 2007 were either not completed or were only partially complete as described below:

1. Part 1- Statement of Receipts Disbursements, Cash Balances and Investment Balances did not include investments in the amounts of \$832,747 and \$849,844 at December 31, 2006 and 2007, respectively.
2. Part 6- Long-Term Indebtedness was not completed.
3. Part 8- Statement of Federal Grant Receipts and Disbursements was not completed for the year 2006. Auditor of State records showed federal funds in the amount of \$447,150 were received through the State of Indiana during the year 2006.
4. Part 10- Report on Capital Assets Purchased from Governmental Funds was not completed.
5. Part 11- Report on Financial Assistance to Nongovernmental Entities was not completed.

The insufficient completion of the parts of the City and Town Annual Report that are required to be published (Part 1– Statement of Receipts, Disbursements, Cash Balances and Investment Balances and Part 6– Long-Term Indebtedness) resulted in the under reporting of cash and investments and no reporting of the Towns' long-term outstanding debt at December 31, 2006 and 2007.

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

TOWN OF VEVA
EXAMINATION RESULTS AND COMMENTS
(Continued)

PENALTIES, INTEREST, AND OTHER CHARGES (Applies to Clerk-Treasurer)

The Town paid \$351 in penalties and interest due to the late remittance of sales tax collections to the Indiana Department of Revenue.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CONTRACT OVERPAYMENT (Applies to Clerk-Treasurer)

The Town contracted with Holman Excavating for a storm drain project during the year 2006. The original contract price was \$390,708. The following is a comparison of the approved contract and contract payments:

Original contract	\$ 390,708
Approved change orders	<u>78,110</u>
Total contract	468,818
Payments	<u>470,099</u>
Variance	<u><u>\$ (1,281)</u></u>

We brought the above potential overpayment to the attention of the Clerk-Treasurer for further investigation.

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)

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

INSUFFICIENT SUPPORTING DOCUMENTATION FOR
STREET RESURFACING (Applies to Clerk-Treasurer)

The Town paid David O'Mara Contractor, Inc., \$387,014, for the resurfacing of Town streets during the year 2006 based on a price per ton of materials applied. No delivery tickets were presented for examination to support the tonnage and the invoices did not identify the streets where the materials were applied.

TOWN OF VEVA
EXAMINATION RESULTS AND COMMENTS
(Continued)

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

"If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified."

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)

QUOTES NOT OBTAINED ON STREET PATCHING
PROJECTS (Applies to Town Council)

The Town did not obtain quotes for street patching projects during the year 2006. The amount paid on patching the streets is shown in the following schedule:

Description	Amount
Market, Tell, Vineyard Streets	\$ 7,747
Various streets (not identified)	2,387
Various streets (not identified)	2,165
Patching and dig out by post office	3,954
Pike, Pearl, Cedar, Woodfill, and Swiss Streets	6,903
Seminary Street	13,880
Seminary, Pike, Liberty, and Arch Streets	15,725
Total paid on patching	\$ 52,761

Prior to July 1, 2007, Indiana Code 36-1-12-5 stated in part:

"(a) This section applies whenever a public work project is estimated to cost less than twenty-five thousand dollars (\$25,000)."

"(b) The board must proceed under the following provisions:

- (1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.
- (2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.
- (3) The board shall award the contract for the public work to the lowest responsible and responsive quoter."

TOWN OF VEVAY
EXAMINATION RESULTS AND COMMENTS
(Continued)

DONATIONS (Applies to Town Council)

The Town Council authorized donations of \$70,600 and \$93,600 to be paid to various not-for-profit organizations in 2006 and 2007, respectively. There were no contracts or written agreements presented for examination showing what services were provided to the Town.

Indiana Code 36-10-2-4 allows a city or town to establish, aid, maintain, and operate libraries and museums, cultural, historical, and scientific facilities and programs, and community service facilities and programs. If a city or town desires to fund one of the aforementioned programs or activities, a contract should be entered into setting out what services are to be provided to the city or town. (Cities and Towns Bulletin and Uniform Compliance Guideline, September 2002)

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was made in prior Report B28601.

LOCAL PENSION PLAN (Applies to Town Council)

On December 11, 2000, the Town Council approved a local pension plan covering all full-time Town and Utilities employees. WMA Securities was hired to administer the plan. The Town made a lump sum payment to cover past service costs and began paying 3% of each participating full-time employee's salary beginning in 2001 and has continued contributing to the plan each year thereafter.

Pursuant to IC 5-10.2-2-1, a city or town has no authority to establish a local pension plan by ordinance, resolution, or contract after January 1, 1995, without statutory authority. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was made in prior Report B28601.

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

The Town and the Utilities do not have detailed capital asset records.

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

A similar comment was made in prior Report B28601.

CANCELED CHECKS AND OPTICAL IMAGES OF WARRANTS (Applies to Clerk-Treasurer)

Canceled checks and/or optical images of canceled checks were not returned by the Town's financial institution with the monthly bank statements or did not contain all information required as described below:

TOWN OF VEVA
EXAMINATION RESULTS AND COMMENTS
(Continued)

1. No canceled checks or optical images of canceled checks were returned for checks processed through the Town's payroll checking account.
2. The optical images of canceled checks returned on checking accounts used to process payments to vendors did not have a copy of the backside (endorsement side) of the check. The optical images of the front side of these canceled checks were small in size and were not always legible.

Indiana Code 5-15-6-3 concerning optical imaging of checks states in part:

"(a) . . . 'original records' includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . . "

Further, Indiana Code 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

A similar comment was made in prior Report B28601.

CAMP RENTAL FEES (Applies to Clerk-Treasurer)

The Switzerland County Recreation, Tourism, and Convention Commission (Commission) collects campground rental fees on behalf of the Town. We found the following deficiencies regarding the collection and remittance of these fees to the Town:

1. There were instances when there were two months between remittances.

The agreement between the Town and the Commission requires that fees be remitted to the Clerk-Treasurer each week.

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)

2. The Commission does not use a Report of Collections (Form 362) that shows the detail of the receipts issued by the Commission.

TOWN OF VEVAY
EXAMINATION RESULTS AND COMMENTS
(Continued)

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)

PENALTIES NOT APPLIED (Applies to Water Utility, Wastewater Utility, and Sanitation Service)

The Town bills for water, wastewater, and sanitation services. Penalties were not applied for nonpayment of bills for August 2006; July 2007; or December 2007.

The Town Council has established a 10% penalty on unpaid bills in ordinances establishing fees for the respective utilities and sanitation service.

Donna Graham, Clerk-Treasurer, stated penalties were not billed due to computer malfunctions.

There was no documentation presented in the minutes that the Town Council waived the penalties.

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)

ADJUSTMENTS (Applies to Town Council)

There is no formal written policy for making adjustments to customer accounts. A memorandum entry describing the cause for a write-off is initialed by the Clerk-Treasurer. The Town Council has not established procedures to allow, and does not review, the adjustments.

The governing body of a governmental unit should have a written policy concerning a procedure for the writing off of bad debts, uncollectible accounts receivable, or any adjustments to record balances. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials or employees authorizing, directing or executing write-offs or adjustments to records which are not documented or warranted may be held personally responsible. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

OFFICIAL BOND (Applies to the Town Council)

The Town Council approves a separate official bond for the Clerk-Treasurer each year. The following is a comparison of the approved amounts and the required bond amount based on Indiana Code 5-4-1-18:

1. The official bond for the year 2007 was approved by the Town Council in the amount of \$15,000. Total receipts for the year 2006 were \$3,531,389. The official bond for the year 2007 based on prior year's receipts should have been set in an amount of at least \$45,000.
2. The official bond for the year 2008 was approved by the Town Council in the amount of \$15,000. Total receipts for the year 2007 were \$2,096,411. The official bond for the year 2008 based on prior year's receipts should have been set in an amount of at least \$30,000.

TOWN OF VEVAY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-4-1-18 states in part:

"(c) The fiscal bodies of the respective units shall fix the amount of the bond of . . . town clerk-treasurers . . . as follows:

- (1) The amount must equal fifteen thousand dollars (\$15,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (2) The amount may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000)."

UTILITY RECEIPTS TAX RETURNS (Applies to Clerk-Treasurer)

No annual utility receipts tax returns were presented for examination; however, the quarterly estimated utility tax returns were filed each year.

Indiana Code 6-2.3-6-2 (a) states in part:

"Every taxpayer who receives more than one thousand dollars (\$1,000) in gross receipts during a particular taxable year shall file with the department an annual utility receipts tax return . . ."

All questions concerning the law or procedure for paying the utility receipts tax should be directed to the Indiana Department of Revenue, Indiana Government Center North, Indianapolis, Indiana, 46204, telephone number (317) 615-2662. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF VEVAY
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2008, with Donna Graham, Clerk-Treasurer; and Tye Sullivan, President of the Town Council.