

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

EXAMINATION REPORT

OF

TOWN OF MUNSTER

LAKE COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
01/05/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Statement:	
Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6
Notes to Financial Statement.....	7-14
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	16-24
Schedule of Capital Assets.....	25
Schedule of Long-Term Debt	26
Examination Results and Comments:	
Transaction Recording	27
Prorated Salaries.....	28
Exit Conference.....	29
Official Response	30-31

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	David F. Shafer	01-01-08 to 12-31-11
President of the Town Council	John W. Edington Robert H. Mangus	01-01-10 to 12-31-10 01-01-11 to 12-31-11
Superintendent of Utilities and Town Manager	Thomas F. DeGiulio	01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA

We have examined the financial statement of the Town of Munster (Town), for the period of January 1, 2010 to December 31, 2010. The Town's management is responsible for the financial statement. Our responsibility is to express an opinion based on our examination.

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

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

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

The Combining Schedule Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Capital Assets, and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the examination procedures applied to the financial statement, and accordingly, we express no opinion on them.

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.

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

STATE BOARD OF ACCOUNTS

March 30, 2011

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FINANCIAL STATEMENT

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

	Cash and Investments		Cash and Investments	
	01-01-10	Receipts	Disbursements	12-31-10
General	\$ 36,559	\$ 7,807,769	\$ 7,840,609	\$ 3,719
Motor Vehicle Highway	314,098	1,623,263	1,621,969	315,392
Local Road And Street	52,460	256,759	253,068	56,151
Donations	41,797	24,158	39,218	26,737
Economic Development Operating	181,975	509	3,900	178,584
Law Enforcement Continuing Education	27,615	32,814	37,905	22,524
Parks And Recreation	5,764	3,560,445	3,560,096	6,113
Excess Welfare Distribution	-	31,285	31,285	-
Technology	196,175	441,483	564,604	73,054
Sewer Maintenance	736,366	3,124,340	3,006,543	854,163
Special Asset Forfeiture Nonreverting	13,234	33,688	19,895	27,027
State Grants	532,785	6,990	539,775	-
Federal Grants	-	31,148	31,148	-
Municipal Bond & Interest Nonexempt	494	2,134,351	2,133,979	866
Redevelopment Bond & Interest	279,804	490,785	738,339	32,250
Park Bond & Interest Nonexempt	246	1,822,071	1,822,166	151
Municipal Complex	104,608	1,120,449	1,225,000	57
Redevelopment Reserve	736,555	-	-	736,555
Park Bond & Interest Exempt	37,337	1,046,434	1,082,049	1,722
Municipal Bond & Interest Exempt	488,429	1,296,216	1,784,427	218
EDC Bond & Interest	-	46,061	-	46,061
EDC Bond Reserve	-	408,856	-	408,856
Cumulative Capital Imprv Cigarette Tax	102,459	69,076	87,404	84,131
Cumulative Capital Development	83,813	275,243	358,212	844
Corporation Bond (Proceeds)	278,368	5,036,999	4,997,830	317,537
Park Bond (Proceeds)	1,732,959	3,509,000	3,889,057	1,352,902
Riverboat Capital Project	625,574	345,400	286,923	684,051
Redevelopment Operating	1,444,568	107,713	1,172,845	379,436
Barrett Bond Proceeds	17,610	-	-	17,610
Redevelopment Capital Improvements	523,811	1,300	-	525,111
Local Major Moves Construction	478,630	67,912	170,192	376,350
Rainy Day	-	-	-	-
TIF Allocation	-	4,460,246	2,237,394	2,222,852
EDC Bond Proceeds	-	4,876,745	722,968	4,153,777
Medical/Life Insurance Self Funded	183,609	1,460,594	1,554,459	89,744
Liability Insurance Self Funded	13,772	825,567	820,543	18,796
Police Pension	463,330	821,766	680,104	604,992
Park Donation Non-Reverting	38,339	116,960	117,895	37,404
Park Land Escrow	11,520	-	-	11,520
Payroll	218,958	10,388,673	10,372,500	235,131
Barrett Law Surplus	-	-	-	-
Levy Excess	-	34,388	-	34,388
Intergovernmental Collection	256,509	1,817,499	1,817,523	256,485
Insurance Payments	-	1,499,999	1,499,999	-
Cable TV Security	110,764	341	-	111,105
Escrow	515,497	428,430	759,429	184,498
Solid Waste-Operating	385,643	2,071,666	1,922,923	534,386
Water Utility-Operating	1,157,097	3,954,988	3,823,182	1,288,903
Water Utility-Bond And Interest	-	-	-	-
Water Utility-Depreciation/Improve	-	-	-	-
Water Utility-Customer Deposit	169,155	50,412	104,310	115,257
Totals	<u>\$ 12,598,286</u>	<u>\$ 67,560,791</u>	<u>\$ 63,731,667</u>	<u>\$ 16,427,410</u>

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

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT

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, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

Special assessments, which includes amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

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

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts 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, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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

Net proceeds from borrowings which include receipts from general obligation bonds, notes, and loans.

Intergovernmental loan activity which includes amounts received from other funds as loans on a temporary basis.

Transfers in which include funds authorized by statute, ordinance, resolution, or court order to be transferred in from another fund.

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

Internal service receipts which are comprised mostly of fees received for services performed for other funds.

Fiduciary receipts which are comprised mostly of contributions to the pension funds from state and local sources.

E. Disbursements

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

Personal services which 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.

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

Other services and charges which include, but is 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 includes all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Interfund loan payments and loans made which include amounts that are owed to a particular fund by another fund.

Transfers out which include funds authorized by statute, ordinance, resolution, or court order to be transferred to another fund.

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.

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

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. These risks may also be mitigated by the Town by recording as a disbursement and replacement items purchased.

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

B. 1925 Police Officers' Pension Plan

Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Public Employees' Retirement Fund as provided under Indiana Code 5-10.3-11.

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

Plan Description

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

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

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

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

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

Funding Policy

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

Note 7. Municipal Solid Waste Landfill Closure and Postclosure Costs

State and federal laws and regulations required the Town to place a final cover on its municipal landfill when it stopped accepting solid waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and postclosure care costs as an operating disbursement in each period based on landfill capacity used as of each balance sheet date. The Town has recognized all the estimated costs of closure and postclosure care since the landfill capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2004. The Town stopped accepting solid waste and began the closure process in August 2004. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The Town is required by state and federal laws and regulations to make contributions to a trust to finance closure and postclosure care, to obtain a line of credit, obtain a bond in an amount sufficient to finance the estimated closure and postclosure care cost, obtain insurance, or fulfill the financial requirements set forth in 329 IAC 2-12. The Town has chosen the last option. To meet this requirement, the Town has established that less than 50 percent of gross revenues are from solid waste management and the net assessed value is \$10,000,000 or more and is at least six times the current closure estimate. In addition, the Town has established that it can meet one of the following: (1) Have the authority to increase property tax rates to raise revenues in an amount at least six times greater than the current closure estimate, (2) Annual budget (as approved by the Indiana Department of Local Government Finance) is at least six times the current closure estimate, or (3) Have the ability to issue general obligation bonds equal to at least six times the current closure estimate (payable from property taxes) and has an A or better rating from Standard and Poor's or Moody's.

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

The Indiana Department of Environmental Management (IDEM) received the Final Closure Certification Report dated April 2010, on May 17, 2010. A subsequent follow-up site visit and inspection was conducted on June 29, 2010, at the facility to evaluate suitability for approval. The Munster Landfill was considered certified closed in accordance with 329 Indiana Administrative Code 10-22-8.

Note 8. Subsequent Events

Federal Grant Awards

The Towns of Griffith, Highland, Munster, and Dyer were awarded a federal grant on March 4, 2011, from the Assistance to Firefighters Grant Program - Operations and Safety. The grant will be used to install an adapter on every fire hydrant in the four communities to accept the five inch water supply hose that is carried on all of the fire apparatus. The Town of Munster's share of this grant, based upon the number of water hydrants, is \$207,824 federal money with a local match of \$51,956. The local match will be paid from the Water Utility funds. The officials expect the project to be completed before December 31, 2011.

The Town of Munster was awarded a federal grant on March 11, 2011, from the Assistance to Firefighters Grant Program - Operations and Safety. The grant will be used to purchase 22 self-contained breathing apparatus (SCBA) with personal alert safety system to replace obsolete units. The federal portion of the grant is \$103,950 with a local match of \$11,550. The local match will be paid from the 2010 General Obligation Bond issue. The officials expect the project to be completed before December 31, 2011.

The Town has secured federal grants from the U.S. Department of Energy for a Waste-to-Energy Cogeneration Project for \$1,968,000 and \$951,500 for a total of \$2,919,500. The Town's required minimum nonfederal cost share percentage for the project is 50 percent of \$2,919,500. The Town has not drawn any federal funds as of March 30, 2011.

On February 1, 2011, the Town of Munster and the entire State of Indiana experienced a major winter storm or snow blizzard. The Town incurred \$135,096 in additional costs for emergency protective measures. The Town has requested from the Federal Emergency Management Agency (FEMA) reimbursement of \$89,477 in eligible disbursements. As of March 30, 2011, the Town has not received any reimbursement from FEMA.

Short Term Debt - Loans Between Funds

Due to the delay in receiving general property tax distributions, the Town made temporary loans between funds during 2010. There were 11 outstanding loans between funds totaling \$7,733,000 as of December 31, 2010. These were repaid on January 6, 2011.

TOWN OF MUNSTER
NOTES TO FINANCIAL STATEMENT
(Continued)

Reassessment and Property Taxes

Due to errors in assessments of Calumet Township, the assessed valuations of Lake County were not finalized by February 15, 2010, as required. Therefore, the 2009 pay 2010 property tax rates and levies, as well as related budget orders for 2010, were not established until August 2010. A similar situation occurred in the prior two years. The County issued a provisional billing due May 10, 2010, based upon the 2008 pay 2009 tax rates. The final reconciliation billing with the tax rates for 2009 pay 2010 was due November 30, 2010. Distribution of the final settlement was received by the Town on January 20, 2011. This situation has hampered the Town's ability to appropriately budget and expend funds and has forced the Town to extensively borrow between funds in anticipation of tax revenues.

SUPPLEMENTARY INFORMATION – UNAUDITED

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

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

	General	Motor Vehicle Highway	Local Road And Street	Donations	Economic Development Operating	Law Enforcement Continuing Education
Cash and investments - beginning	\$ 36,559	\$ 314,098	\$ 52,460	\$ 41,797	\$ 181,975	\$ 27,615
Receipts:						
Taxes	3,089,362	524,894	-	-	-	-
Licenses and permits	581,751	-	-	-	-	-
Intergovernmental	316,580	666,506	247,618	-	-	-
Charges for services	325,000	283,648	-	-	-	22,880
Fines and forfeits	160,786	-	-	-	-	9,934
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	3,334,290	148,215	9,141	24,158	509	-
Total receipts	<u>7,807,769</u>	<u>1,623,263</u>	<u>256,759</u>	<u>24,158</u>	<u>509</u>	<u>32,814</u>
Disbursements:						
Personal services	4,594,086	736,481	-	-	-	-
Supplies	47,589	147,221	178,141	20,390	-	15,092
Other services and charges	448,223	572,267	74,927	1,032	3,900	22,813
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,750,711	166,000	-	17,796	-	-
Total disbursements	<u>7,840,609</u>	<u>1,621,969</u>	<u>253,068</u>	<u>39,218</u>	<u>3,900</u>	<u>37,905</u>
Excess (deficiency) of receipts over disbursements	<u>(32,840)</u>	<u>1,294</u>	<u>3,691</u>	<u>(15,060)</u>	<u>(3,391)</u>	<u>(5,091)</u>
Cash and investments - ending	<u>\$ 3,719</u>	<u>\$ 315,392</u>	<u>\$ 56,151</u>	<u>\$ 26,737</u>	<u>\$ 178,584</u>	<u>\$ 22,524</u>

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

	Parks And Recreation	Excess Welfare Distribution	Technology	Sewer Maintenance	Special Asset Forfeiture Nonreverting	State Grants
Cash and investments - beginning	\$ 5,764	\$ -	\$ 196,175	\$ 736,366	\$ 13,234	\$ 532,785
Receipts:						
Taxes	871,353	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	51,147	31,285	-	1,080,929	-	6,990
Charges for services	1,604,041	-	264,797	1,120,624	-	-
Fines and forfeits	-	-	-	-	33,593	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	1,033,904	-	176,686	922,787	95	-
Total receipts	<u>3,560,445</u>	<u>31,285</u>	<u>441,483</u>	<u>3,124,340</u>	<u>33,688</u>	<u>6,990</u>
Disbursements:						
Personal services	1,744,831	31,285	256,003	1,010,528	-	-
Supplies	384,725	-	69,485	68,854	11,964	-
Other services and charges	611,390	-	232,115	753,214	7,931	-
Capital outlay	-	-	7,001	367,947	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	819,150	-	-	806,000	-	539,775
Total disbursements	<u>3,560,096</u>	<u>31,285</u>	<u>564,604</u>	<u>3,006,543</u>	<u>19,895</u>	<u>539,775</u>
Excess (deficiency) of receipts over disbursements	<u>349</u>	<u>-</u>	<u>(123,121)</u>	<u>117,797</u>	<u>13,793</u>	<u>(532,785)</u>
Cash and investments - ending	<u>\$ 6,113</u>	<u>\$ -</u>	<u>\$ 73,054</u>	<u>\$ 854,163</u>	<u>\$ 27,027</u>	<u>\$ -</u>

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

	Federal Grants	Municipal Bond & Interest Nonexempt	Redevelopment Bond & Interest	Park Bond & Interest Nonexempt	Municipal Complex	Redevelopment Reserve
Cash and investments - beginning	\$ -	\$ 494	\$ 279,804	\$ 246	\$ 104,608	\$ 736,555
Receipts:						
Taxes	-	542,103	73,755	411,802	886,296	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	30,352	62,760	26,948	73,574	33,153	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	796	1,529,488	390,082	1,336,695	201,000	-
Total receipts	<u>31,148</u>	<u>2,134,351</u>	<u>490,785</u>	<u>1,822,071</u>	<u>1,120,449</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,066,979	738,339	1,101,166	1,225,000	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	31,148	1,067,000	-	721,000	-	-
Total disbursements	<u>31,148</u>	<u>2,133,979</u>	<u>738,339</u>	<u>1,822,166</u>	<u>1,225,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>372</u>	<u>(247,554)</u>	<u>(95)</u>	<u>(104,551)</u>	<u>-</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 866</u>	<u>\$ 32,250</u>	<u>\$ 151</u>	<u>\$ 57</u>	<u>\$ 736,555</u>

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

	Park Bond & Interest Exempt	Municipal Bond & Interest Exempt	EDC Bond & Interest	EDC Bond Reserve	Cumulative Capital Imprv Cigarette Tax	Cumulative Capital Development
Cash and investments - beginning	\$ 37,337	\$ 488,429	\$ -	\$ -	\$ 102,459	\$ 83,813
Receipts:						
Taxes	587,586	1,253,845	-	-	-	152,428
Licenses and permits	-	-	-	-	-	-
Intergovernmental	69,674	42,371	-	-	69,076	10,815
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	389,174	-	46,061	408,856	-	112,000
Total receipts	<u>1,046,434</u>	<u>1,296,216</u>	<u>46,061</u>	<u>408,856</u>	<u>69,076</u>	<u>275,243</u>
Disbursements:						
Personal services	-	-	-	-	-	82,830
Supplies	-	-	-	-	85,424	-
Other services and charges	1,082,049	1,078,427	-	-	1,980	73,548
Capital outlay	-	-	-	-	-	201,834
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	706,000	-	-	-	-
Total disbursements	<u>1,082,049</u>	<u>1,784,427</u>	<u>-</u>	<u>-</u>	<u>87,404</u>	<u>358,212</u>
Excess (deficiency) of receipts over disbursements	<u>(35,615)</u>	<u>(488,211)</u>	<u>46,061</u>	<u>408,856</u>	<u>(18,328)</u>	<u>(82,969)</u>
Cash and investments - ending	<u>\$ 1,722</u>	<u>\$ 218</u>	<u>\$ 46,061</u>	<u>\$ 408,856</u>	<u>\$ 84,131</u>	<u>\$ 844</u>

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

	Corporation Bond (Proceeds)	Park Bond (Proceeds)	Riverboat Capital Project	Redevelopment Operating	Barrett Bond Proceeds	Redevelopment Capital Improvements
Cash and investments - beginning	\$ 278,368	\$ 1,732,959	\$ 625,574	\$ 1,444,568	\$ 17,610	\$ 523,811
Receipts:						
Taxes	-	-	-	100,799	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	344,135	6,914	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	5,036,999	3,509,000	1,265	-	-	1,300
Total receipts	<u>5,036,999</u>	<u>3,509,000</u>	<u>345,400</u>	<u>107,713</u>	<u>-</u>	<u>1,300</u>
Disbursements:						
Personal services	-	-	-	70,404	-	-
Supplies	-	-	-	-	-	-
Other services and charges	13,385	35,200	84,176	29,046	-	-
Capital outlay	1,851,445	1,152,857	202,747	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,133,000	2,701,000	-	1,073,395	-	-
Total disbursements	<u>4,997,830</u>	<u>3,889,057</u>	<u>286,923</u>	<u>1,172,845</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>39,169</u>	<u>(380,057)</u>	<u>58,477</u>	<u>(1,065,132)</u>	<u>-</u>	<u>1,300</u>
Cash and investments - ending	<u>\$ 317,537</u>	<u>\$ 1,352,902</u>	<u>\$ 684,051</u>	<u>\$ 379,436</u>	<u>\$ 17,610</u>	<u>\$ 525,111</u>

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

	Local Major Moves Construction	Rainy Day	EDC Bond Proceeds	TIF Allocation	Medical/Life Insurance Self Funded	Liability Insurance Self Funded
Cash and investments - beginning	\$ 478,630	\$ -	\$ -	\$ -	\$ 183,609	\$ 13,772
Receipts:						
Taxes	-	-	-	3,518,654	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	67,912	-	4,876,745	941,592	1,460,594	825,567
Total receipts	<u>67,912</u>	<u>-</u>	<u>4,876,745</u>	<u>4,460,246</u>	<u>1,460,594</u>	<u>825,567</u>
Disbursements:						
Personal services	-	-	-	7,438	-	-
Supplies	-	-	-	5,116	-	-
Other services and charges	170,192	-	-	326,308	16,154	99,744
Capital outlay	-	-	722,968	1,852,471	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	46,061	1,538,305	720,799
Total disbursements	<u>170,192</u>	<u>-</u>	<u>722,968</u>	<u>2,237,394</u>	<u>1,554,459</u>	<u>820,543</u>
Excess (deficiency) of receipts over disbursements	<u>(102,280)</u>	<u>-</u>	<u>4,153,777</u>	<u>2,222,852</u>	<u>(93,865)</u>	<u>5,024</u>
Cash and investments - ending	<u>\$ 376,350</u>	<u>\$ -</u>	<u>\$ 4,153,777</u>	<u>\$ 2,222,852</u>	<u>\$ 89,744</u>	<u>\$ 18,796</u>

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

	Police Pension	Park Donation Non-Reverting	Park Land Escrow	Payroll	Barrett Law Surplus	Levy Excess
Cash and investments - beginning	\$ 463,330	\$ 38,339	\$ 11,520	\$ 218,958	\$ -	\$ -
Receipts:						
Taxes	821,766	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	-	116,960	-	10,388,673	-	34,388
Total receipts	<u>821,766</u>	<u>116,960</u>	<u>-</u>	<u>10,388,673</u>	<u>-</u>	<u>34,388</u>
Disbursements:						
Personal services	680,104	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	109,331	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	8,564	-	10,372,500	-	-
Total disbursements	<u>680,104</u>	<u>117,895</u>	<u>-</u>	<u>10,372,500</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>141,662</u>	<u>(935)</u>	<u>-</u>	<u>16,173</u>	<u>-</u>	<u>34,388</u>
Cash and investments - ending	<u>\$ 604,992</u>	<u>\$ 37,404</u>	<u>\$ 11,520</u>	<u>\$ 235,131</u>	<u>\$ -</u>	<u>\$ 34,388</u>

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

	Intergovernmental Collection	Insurance Payments	Cable TV Security	Escrow	Solid Waste-Operating
Cash and investments - beginning	\$ 256,509	\$ -	\$ 110,764	\$ 515,497	\$ 385,643
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	133,906
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	1,934,883
Penalties	-	-	-	-	-
Other receipts	1,817,499	1,499,999	341	428,430	2,877
Total receipts	<u>1,817,499</u>	<u>1,499,999</u>	<u>341</u>	<u>428,430</u>	<u>2,071,666</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	1,922,923
Other disbursements	1,817,523	1,499,999	-	759,429	-
Total disbursements	<u>1,817,523</u>	<u>1,499,999</u>	<u>-</u>	<u>759,429</u>	<u>1,922,923</u>
Excess (deficiency) of receipts over disbursements	<u>(24)</u>	<u>-</u>	<u>341</u>	<u>(330,999)</u>	<u>148,743</u>
Cash and investments - ending	<u>\$ 256,485</u>	<u>\$ -</u>	<u>\$ 111,105</u>	<u>\$ 184,498</u>	<u>\$ 534,386</u>

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

	Water Utility-Operating	Water Utility-Bond And Interest	Water Utility - Depreciation Improvement	Water Utility-Customer Deposit	Totals
Cash and investments - beginning	\$ 1,157,097	\$ -	\$ -	\$ 169,155	\$ 12,598,286
Receipts:					
Taxes	-	-	-	-	12,834,643
Licenses and permits	-	-	-	-	581,751
Intergovernmental	240,083	-	-	-	3,544,816
Charges for services	-	-	-	-	3,620,990
Fines and forfeits	-	-	-	-	204,313
Utility fees	3,518,038	-	-	-	5,452,921
Penalties	154,040	-	-	-	154,040
Other receipts	42,827	-	-	50,412	41,167,317
Total receipts	<u>3,954,988</u>	<u>-</u>	<u>-</u>	<u>50,412</u>	<u>67,560,791</u>
Disbursements:					
Personal services	-	-	-	-	9,213,990
Supplies	-	-	-	-	1,034,001
Other services and charges	-	-	-	-	9,978,836
Capital outlay	856,636	-	-	-	7,215,906
Utility operating expenses	2,966,546	-	-	-	4,889,469
Other disbursements	-	-	-	104,310	31,399,465
Total disbursements	<u>3,823,182</u>	<u>-</u>	<u>-</u>	<u>104,310</u>	<u>63,731,667</u>
Excess (deficiency) of receipts over disbursements	<u>131,806</u>	<u>-</u>	<u>-</u>	<u>(53,898)</u>	<u>3,829,124</u>
Cash and investments - ending	<u>\$ 1,288,903</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,257</u>	<u>\$ 16,427,410</u>

TOWN OF MUNSTER
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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

General infrastructure assets are included if acquired (purchased, constructed, or donated) after July 1, 1980, or if they received major renovations, restorations, or improvements after that date. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 33,042,815
Infrastructure	161,302,905
Buildings	8,802,678
Public art	828,893
Improvements other than buildings	8,059,974
Machinery and equipment	8,109,135
Construction in progress	<u>479,274</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 220,625,674</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 288,548
Infrastructure	21,399,746
Buildings	3,863,636
Machinery and equipment	<u>1,414,947</u>
Total business-type activities capital assets, not being depreciated	<u>\$ 26,966,877</u>
Grand Total for Town	<u>\$ 247,592,551</u>

TOWN OF MUNSTER
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Town has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Centennial Park	\$ 11,925,000	\$ 1,220,000
2007 Copy Machines	54,000	36,000
2008 Police Cars (K)	18,595	18,985
2009 Police Cars (L)	26,878	27,522
2009 Police Cars (M)	101,142	79,461
2010 Golf Carts (N)	48,074	30,135
2010 Beverage Cart (O)	8,277	3,184
Bonds payable:		
General obligation bonds:		
2007 Municipal	500,000	513,176
2008 Municipal	1,000,000	527,470
2009 Municipal	1,500,000	539,063
2010 Municipal	1,970,000	497,142
2007 Park District	500,000	514,119
2008 Park District	1,000,000	531,528
2009 Park District	1,470,000	538,163
2010 Park District	1,970,000	529,173
2007 Redevelopment	7,560,000	735,472
Revenue bonds:		
2010 Economic Development	5,335,000	248,601
Total governmental activities debt	<u>\$ 34,986,966</u>	<u>\$ 6,589,194</u>
Business-type activities:		
Water Utility:		
Capital leases:		
2005 Water Meters #1	\$ 33,797	\$ 34,160
2006 Water Meters #2	26,023	26,315
2007 Water Meters #3	43,527	44,005
2007 Water Meters #4	20,722	20,950
Total business-type activities debt	<u>\$ 124,069</u>	<u>\$ 125,430</u>

TOWN OF MUNSTER
EXAMINATION RESULTS AND COMMENTS

TRANSACTION RECORDING

The Munster Economic Development Commission issued \$5,335,000 in Revenue Bonds in October 2010. The proceeds of the bonds will be used for the financing of the economic development facilities located at 8201 Calumet Avenue which includes financing and construction of capital improvements and equipment purchases related to a commercial investment commonly referred to as the Munster Shops and other permissible projects connected to the Ridge Road/Calumet Avenue Economic Development Area. The revenue bonds will be repaid from TIF (Tax Increment Financing) revenues.

The proceeds were placed in a trust account at a local bank. The Town officials did not record these proceeds in a capital projects fund on the Town's records. The Town has set up Fund 328 EDC Bond and Interest to make the debt service payments on the bond issue and Fund 331 EDC Bond Reserve to hold the debt service reserve amount for the bond issue. No activity was recorded in these two funds on the Town's records for 2010. The following activity occurred in the bank trust accounts in 2010, but was not recorded in the Town's ledgers:

Account	Balance 01-01-10	Receipts	Disbursements	Balance 12-31-10
EDC 2010 Holding	\$ -	\$ 5,284,520	\$ 5,284,317	\$ 203
EDC 2010 Debt Service Reserve	-	408,856	-	408,856
EDC 2010 Construction	-	4,876,541	722,967	4,153,574

The EDC 2010 Holding bank account was used to receive the bond proceeds and distribute the proceeds to the other EDC 2010 bank accounts. The EDC 2010 Debt Service Reserve bank account was used to receive the amount transferred from the EDC 2010 Holding bank account for an amount equal to the required debt service reserve. The EDC 2010 Construction bank account was used to receive the amount transferred from the EDC 2010 Holding bank account for the construction project. The disbursements were payments for the engineering and construction of the Munster Shops project and for bond issuance costs. All the bank accounts also had some investment activity.

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)

TOWN OF MUNSTER
EXAMINATION RESULTS AND COMMENTS
(Continued)

PRORATED SALARIES

The Town Council salaries were prorated between several funds, including 10 percent to the Motor Vehicle Highway Fund for 2010 and 2011. The amount prorated to the Motor Vehicle Highway Fund is not allowable under Indiana statute. A similar comment appeared in the prior report.

Indiana Code 8-14-1-5 states in part:

"(a) All funds allocated to cities and towns from the motor vehicle highway account shall be used by the cities and towns for the construction, reconstruction, repair, maintenance, oiling, sprinkling, snow removal, weed and tree cutting and cleaning of their highways as herein defined, and including also any curbs, and the city's or town's share of the cost of the separation of the grades of crossing of public highways and railroads, the purchase or lease of highway construction and maintenance equipment, the purchase, erection, operation and maintenance of traffic signs and signals, and safety zones and devices; and the painting of structures, objects, surfaces in highways for purposes of safety and traffic regulation. All of such funds shall be budgeted as provided by law.

(b) In addition to purposes for which funds may be expended under subsections (a) and (c) of this section, monies allocated to cities and towns under this chapter may be expended for law enforcement purposes, subject to the following limitations: . . .

(c) In addition to purposes for which funds may be expended under subsections (a) and (b) of this section, monies allocated to cities and towns under this chapter may be expended for the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects."

TOWN OF MUNSTER
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2011, with David F. Shafer, Clerk-Treasurer; Robert H. Mangus, President of the Town Council; Thomas F. DeGiulio, Superintendent of Utilities and Town Manager; Patricia Abbott, Accounting Supervisor; and Steven Kennedy, Town Attorney. The Official Response has been made a part of this report and may be found on pages 30 and 31.



At Your Service

March 31, 2011

Mr. Bruce A. Hartman, CPA, State Examiner
Indiana State Board of Accounts
302 West Washington Street, Room E418
Indianapolis, Indiana 46204

Re: Town of Munster
Examination for the Year 2010
OFFICIAL RESPONSE

Dear Mr. Hartman:

Following are our responses to comments resulting from an examination of the Town of Munster for the year ending December 31, 2010.

TRANSACTION RECORDING

The State Board of Accounts found that financial transactions pertaining to the issuance of revenue bonds by the Munster Economic Development Commission were not recorded in the records of the Town of Munster.

Response: Prior to the issuance of the bonds, the Town justifiably relied on advice that it is lawful and appropriate to handle the financial transactions of the economic development bonds in the same manner as the bonds of the Town's holding corporation, that is, at arm's length with no transactions on the Town's records. The Town recognizes that costs could be reduced by handling the transactions in-house. The Town has created funds to accommodate the financial transactions of the bonds and is in the process of arranging for the transfer of funds from a trust account at a local bank to the Town. Thereafter, the Town Council will authorize disbursements of the bond proceeds in accordance with existing procedures. The Town expects to complete the transfer from the trust account during the second quarter of 2011.



PRORATED SALARIES

The State Board of Accounts found that IC 8-14-1-5 does not allow a portion of salaries for members of the Town Council to be paid out of the Motor Vehicle Highway Fund.

Response: This is a repeat of a finding reported in the previous year's examination. At that time the Town respectfully disagreed with the finding of the State Board of Accounts based on the assertion of the Munster Town Attorney that IC 8-14-1-2 has the effect of permitting such uses. The Town understands that the State Board of Accounts reviewed the assertion of the Town Attorney and respectfully refused it. The Town believes it would serve no useful purpose to repeat the arguments in this Official Response.

Rather than face the likelihood of the State Board of Accounts' finding being repeated in future examinations, the Town will take steps to remove Town Council salaries and trailing costs from its Motor Vehicle Highway Fund, and assign the costs to another fund or funds to be determined.

Thank you for allowing us to comment on the results of the examination.

Sincerely,



David F. Shafer, IAMC, MMC
Clerk-Treasurer, Town of Munster

cc: Ms. Patricia L. Abbott, IAMC, MMC, Accounting Supervisor
Mr. Thomas F. DeGiulio, Town Manager
Mr. Eugene M. Feingold, Town Attorney
Hon. Robert H. Mangus, Town Council President
Ms. Mary Jo Small, CPA, State Board of Accounts Field Supervisor