

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF WESTFIELD

HAMILTON COUNTY, INDIANA

January 1, 2018 to December 31, 2018



FILED
10/30/2020

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Clerk-Treasurer:	
Audit Results and Comments:	
Compensation Split by Percentage.....	6
Supporting Documentation	6
Official Response.....	7
Exit Conference	8
Common Council:	
Audit Results and Comments:	
Contracts and Leases	10-12
Contract Noncompliance.....	12-13
Official Response.....	14-16
Exit Conference	17
Board of Public Works:	
Audit Results and Comments:	
Contracts and Leases	20-22
Contract Noncompliance.....	22-23
Exit Conference	24
Redevelopment Commission:	
Audit Results and Comments:	
Contracts and Leases	26-28
Contract Noncompliance.....	28-29
Exit Conference	30

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Cindy Gossard	01-01-18 to 12-31-20
Mayor	Andrew Cook	01-01-18 to 12-31-20
President of the Board of Public Works	Andrew Cook	01-01-18 to 12-31-20
President of the Common Council	Jim Ake Mark Keen Joe Edwards	01-01-18 to 12-31-18 01-01-19 to 12-31-19 01-01-20 to 12-31-20



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

TO: THE OFFICIALS OF THE CITY OF WESTFIELD, HAMILTON COUNTY, INDIANA

This report is supplemental to our audit report of the City of Westfield (City), for the period from January 1, 2018 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the City. It should be read in conjunction with our Financial Statement Audit Report of the City, which provides our opinions on the City's financial statement. This report may be found at www.in.gov/sboa/.

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 Official Response to the Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

September 29, 2020

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CLERK-TREASURER
CITY OF WESTFIELD

CLERK-TREASURER
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS

COMPENSATION SPLIT BY PERCENTAGE

This same comment appeared in a Management Letter addressed to the Clerk-Treasurer for the audit period ending December 31, 2017.

Condition and Context

The City has employees working in two different departments; however, time records were not maintained to support the number of hours worked and charged to each of the two departments and funds during the audit period.

Criteria

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

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

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

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

SUPPORTING DOCUMENTATION

Condition and Context

Payments totaling \$43,424 were made in 2018 to Downtown Westfield Association without a written agreement or contract. Utility payments of \$296 were made to Citizen's Gas for the building Downtown Westfield Association leases from the City. Per the lease agreement the tenant should pay the utilities.

Criteria

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for examination 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 1)

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)



October 7, 2020

Clerk-Treasurer
City of Westfield
2018 Audit Results and Comments

Mayor
Andy Cook

City Council
Joe Edwards
Scott Frei
Jake Gilbert
Mike Johns
Troy Patton
Cindy Spoljaric
Scott Willis

Clerk Treasurer
Cindy J. Gossard

COMPENSATION SPLIT BY PERCENTAGE

The city has employees that are paid from two different departments. Their time records did not reflect the number of hours worked in the Different departments.

Corrective Action Plan

We have made some additional adjustments in our ADP/eTime By adding drop-downs to be able to record the individuals time split correctly going forward. We have instructed management to confirm employees with different department splits are done correctly.

Supporting Documentation

Payments were made in 2018 to Downtown Westfield Association in the amount of \$43,424.00 without a written agreement or contract.

Corrective Action Plan

The Administration has not yet sent the Clerk's office any agreements or contracts. Going forward no claims will be paid to Downtown Westfield Association until we receive a signed agreement or contract.

Cindy Gossard

(Signature)

Clerk Treasurer

(Title)

Oct 7, 2020

(Date)

Clerk Treasurer's Office

(317) 804-3020 office
(317) 804-3024 fax

130 Penn Street
Westfield, IN 46074
westfield.in.gov

CLERK-TREASURER
CITY OF WESTFIELD
EXIT CONFERENCE

The contents of this report were discussed on September 29, 2020, with Cindy Gossard, Clerk-Treasurer; Joe Edwards, President of the Common Council; Scott Willis, Common Council member; Cindy Spoljaric, Common Council member; Troy Patton, Common Council member; Mike Johns, Common Council member; Andrew Cook, Mayor/President of the Board of Public Works; Todd Burtron, Chief of Staff; and Joe Plankis, President of the Redevelopment Commission.

COMMON COUNCIL
CITY OF WESTFIELD

COMMON COUNCIL
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS

CONTRACTS AND LEASES

Condition and Context

On February 24, 2014, the City entered into an agreement (Management and Operation Agreement) with Indiana Bulls, Inc. for the management and operation of sports events and facilities.

On October 30, 2014, Indiana Bulls, Inc assigned and transferred their rights, duties, and obligations under the Management and Operation Agreement to Bullpen Tournaments, LLC (BPT). This Assignment and Assumption agreement was agreed to by the Mayor per his signature on this Assignment and Assumption Agreement.

Per review of the Common Council and Board of Public Works minutes from 2014, there was not any mention of either of these two agreements being presented for approval.

Pursuant to the agreements, BPT became responsible for remitting specified allocations of fees collected for admissions, merchandise, and parking.

The City received collections from BPT for event tickets, apparel, electricity, and indoor leasing fees in 2016 and 2017; however, in 2018, 2019, and 2020 BPT only remitted electric and indoor leasing fees.

The City has not modified the agreement with BPT. The Grand Park Director indicated that the City informally agreed to have BPT perform maintenance in lieu of paying the collections designated in the agreement. The Grand Park Director provided a proposal with a target close date of January 1, 2017, which stipulated the following regarding fees and maintenance:

- City and BPT to share revenue related to advertising and sponsorship.
- BPT to retain any and all commissions due to any hotel bookings due to the diamond sports operations.
- BPT to assume any existing contract regarding food and beverage concessions, and will have the ability to operate the food and beverage concessions in the future.
- BPT to discontinue paying the City for any admissions or parking revenues at Grand Park.
- BPT to discontinue paying the City for any merchandise revenues other than apparel with the Grand Park brand at Grand Park.
- BPT to assume all responsibility for common area maintenance for the diamond sports and will include mowing and maintaining grass, cleaning of buildings, and removal of garbage. The City to remain responsible for all capital improvements and repairs on all vertical structures due to the normal use of the facility for all concession stands, dugouts, netting, backstops, etc., parking lot improvements and maintenance of the ponds and existing trees surrounding the diamonds.
- BPT will pay to the City beginning December 31, 2017, \$360,000 of which annual amount per the agreement will be deposited into a turf replacement escrow with the remainder being considered a lease payment to the City.

COMMON COUNCIL
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

None of the parties to the proposal have signed the proposal. There was not any discussion of this informal agreement or proposal in the minutes of the Common Council, Board of Public Works, Redevelopment Commission, or Redevelopment Commission Authority.

We find no authority for the change to the terms of these agreements without the formal approval of a legislative board with authority to contract. Documentation regarding admissions, merchandise sales, and parking revenues received by BPT was not provided, so we could not determine the dollar amount of revenues that should have been remitted to the City for 2018 through 2019.

Furthermore, 18 campus use agreements, subleases, and other agreements were signed by either the Chief of Staff/Executive Director of the Redevelopment Commission or the Director of Grand Park; however, the minutes for the Redevelopment Commission for 2017 through 2020 are unclear regarding prior or subsequent approval of these agreements. General statements were recorded in the minutes that lease agreements for Grand Park had been approved; however, they were not specific as to which leases have been approved.

Criteria

Indiana Code 36-4-5-3 states in part:

"The executive shall:

- (1) enforce the ordinances of the city and the statutes of the state;
- (2) provide a statement of the finances and general condition of the city to the city legislative body at least once a year;
- (3) provide any information regarding city affairs that the legislative body requests;
- (4) recommend, in writing, to the legislative body actions that the executive considers proper; . . .
- (9) sign all bonds, deeds, and contracts of the city and all licenses issued by the city; and . . ."

Indiana Code 36-4-6-18 states: The legislative body may pass ordinances, orders, resolutions, and motions for the government of the city, the control of the city's property and finances, and the appropriation of money."

Indiana Code 36-7-14-8(g) states:

"The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings."

Indiana Code 36-7-14-12.2(a) states in part:

"The redevelopment commission may do the following:

COMMON COUNCIL
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on. . . ."

CONTRACT NONCOMPLIANCE

Condition and Context

Pursuant to the agreement with Indiana Bulls, Inc. "within thirty (30) days after the end of each calendar month, the Bulls shall provide to the City an internally prepared, unaudited balance sheet and income statement for such calendar month and year-to-date reflecting the Bulls' operations at the Sports Campus . . ."

BPT only provided the City one financial statement, which was dated as of May 31, 2020, and only included monthly activity and balances for January 2020 through May 2020.

Also pursuant to the agreement, the "Bulls and the City shall share the first four hundred thousand dollars (\$400,000) of admission revenues . . . For all Admission Net Revenues received in excess of four hundred thousand dollars (\$400,000) in any year, the Bulls shall receive seventy percent (70%) and the City shall receive thirty percent (30%) of such revenues. . . . Specifics were provided in the agreement related to merchandise and parking."

The City invoiced BPT for the revenues in 2017 and prior; however, documentation was not provided for audit regarding how the City determined the admissions, merchandise, and parking fees billed.

The City entered into a sublease agreement with an effective date of December 1, 2011, with BPT for a portion of the Field Sports Building. The term of the lease was "for the period commencing on the Effective Date and continuing for twelve (24) months . . . Lessee has an automatic renewal for 12 months unless either party gives 60 days' notice to terminate."

Per the lease, (Section 1.04 Holding Over) it states in part: "If Tenant, with the prior written consent of Landlord, holds over and remains in possession of the Leased Premises after the expiration or earlier termination of this lease without the execution of an amendment to this Lease or a new lease, such tenancy will be on a month to month basis . . . with the exception of the Lease Term and the Base Rent . . . which will be calculated on a monthly basis at the rate equal to . . . (110%) of the Base Rent in effect as of the date of expiration . . ."

COMMON COUNCIL
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

Per the rent section of the lease (Section 2.01 Base Rent) it states in part: "Tenant will pay to Landlord as base rent . . . annual sum of Twenty Thousand four Hundred twelve Dollars (\$20,412) payable in monthly installments. . . The next monthly payment of the Base Rent due and payable on December 1, 2018."

BPT began paying \$1,701 monthly in March 2018. The sublease was not signed. It is unclear based upon the dates in this lease, and conflicting terms if BPT is complying or not, and if the rent being paid is correct.

Criteria

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Cities and Towns, Chapter 1)



"OFFICIAL RESPONSE"

October 3, 2020

Indiana State Board of Accounts
302 West Washington Street, Room E 418
Indianapolis, Indiana 46204-2765

To State Board of Accounts:

This letter is in response to your exit conference of Westfield's 2018 audit. Your office has made certain assertions about the deficiencies in our internal controls procedures between the Redevelopment Commission and The Grand Park Facility. These deficiencies were indicated in your exit conference letter of Sept. 29 concerning the Board of Public Works, The Redevelopment Commission, and the Redevelopment Authority.

Part of the problem lies in the fact that the Redevelopment Commission "ceded it's authority" to the City Administration(Mayor & Chief of Staff) to administer these contracts and agreements. This agreement removed a layer of "citizen oversight". This lack of "citizen oversight" has resulted in some of the findings in your Management Letter on Contracts and Leases dated Sept 29, 2020. I also feel that the Redevelopment Commission(RDC) has not properly informed the legislative body of its financial dealings(both income and expense) as they are required by Indiana Statue.

In response to this problem, the City Council has previously passed Resolution #20-131(See Attached) in response to this internal control deficiency. I believe the longer-term solution lies in greater and better "citizen oversight" of these affairs due to the use of public funds. The City Council looks forward to the 2019 audit. We will fully cooperate to correct any deficiencies. Thank you for your work.

James J. Edwards

A handwritten signature in black ink that reads "James J. Edwards".

President of the Westfield City Council

RESOLUTION 20-131

RESOLUTION FOR REVIEW AND APPROVAL OF RDC CONTRACTS/AGREEMENTS

WHEREAS, the City of Westfield, ("City") is a duly formed municipal corporation within the State of Indiana, governed by its duly elected Mayor and Common Council ("Council"); and,

WHEREAS, the City has established a Redevelopment Commission ("RDC") and a Redevelopment Authority ("RDA") under the laws of the State of Indiana; and,

WHEREAS, there is currently City budget allocations of sums to the RDC for operations; and,

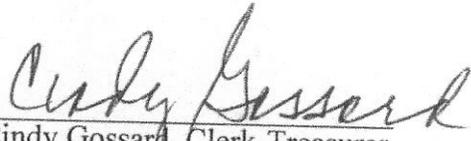
WHEREAS, the Council has the duty and authority to oversee and maintain the fiscal integrity of the City and therefore wish to further implement financial and operational oversight of Grand Park and any agreements therein,

NOW, THEREFORE, BE IT RESOLVED by the Westfield City Common Council meeting in session as follows:

- Section 1.** That no allocations of 2021 budget funds will be approved without an agreement between the RDC/RDA and the Council allowing the Council the ability to review and approve future agreements.
- Section 2.** That no budgeted funds will be allocated to the RDC/RDA without all current month-to-month or verbal agreements of the RDC or RDA beyond December 31, 2020 without a written agreement or ratification approved by City Council.
- Section 3.** This Resolution shall be in full force and effect in accordance with Indiana Law, upon its passage by the City Council, its publication in accordance with law and upon the passage of any applicable waiting period, all as provided by the laws of the State of Indiana. All resolutions or parts thereof in conflict herewith are hereby ordered amended or repealed. All acts undertaken or taken pursuant to the adoption of this Resolution are hereby authorized and/or ratified.

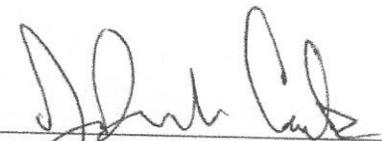
I hereby certify that RESOLUTION 20-131 was delivered to the Mayor of _____

Westfield on the 11th day of August, 2020, at 9:30A m.


Cindy Gossard, Clerk-Treasurer

I hereby APPROVE Resolution 20-131

this 11th day of August, 2020.


J. Andrew Cook, Mayor

I hereby VETO Resolution 20-__

this _____ day of _____, 2020.

J. Andrew Cook, Mayor

ATTEST:


Cindy Gossard, Clerk Treasurer

COMMON COUNCIL
CITY OF WESTFIELD
EXIT CONFERENCE

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BOARD OF PUBLIC WORKS
CITY OF WESTFIELD

BOARD OF PUBLIC WORKS
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS

CONTRACTS AND LEASES

Condition and Context

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- BPT will pay to the City beginning December 31, 2017, \$360,000 of which annual amount per the agreement will be deposited into a turf replacement escrow with the remainder being considered a lease payment to the City.

BOARD OF PUBLIC WORKS
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

None of the parties to the proposal have signed the proposal. There was not any discussion of this informal agreement or proposal in the minutes of the Common Council, Board of Public Works, Redevelopment Commission, or Redevelopment Commission Authority.

We find no authority for the change to the terms of these agreements without the formal approval of a legislative board with authority to contract. Documentation regarding admissions, merchandise sales, and parking revenues received by BPT was not provided, so we could not determine the dollar amount of revenues that should have been remitted to the City for 2018 through 2019.

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- (1) enforce the ordinances of the city and the statutes of the state;
- (2) provide a statement of the finances and general condition of the city to the city legislative body at least once a year;
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BOARD OF PUBLIC WORKS
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on. . . ."

CONTRACT NONCOMPLIANCE

Condition and Context

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BOARD OF PUBLIC WORKS
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

Per the rent section of the lease (Section 2.01 Base Rent) it states in part: "Tenant will pay to Landlord as base rent . . . annual sum of Twenty Thousand four Hundred twelve Dollars (\$20,412) payable in monthly installments. . . The next monthly payment of the Base Rent due and payable on December 1, 2018."

BPT began paying \$1,701 monthly in March 2018. The sublease was not signed. It is unclear based upon the dates in this lease, and conflicting terms if BPT is complying or not, and if the rent being paid is correct.

Criteria

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Cities and Towns, Chapter 1)

BOARD OF PUBLIC WORKS
CITY OF WESTFIELD
EXIT CONFERENCE

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REDEVELOPMENT COMMISSION
CITY OF WESTFIELD

REDEVELOPMENT COMMISSION
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS

CONTRACTS AND LEASES

Condition and Context

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- BPT to assume all responsibility for common area maintenance for the diamond sports and will include mowing and maintaining grass, cleaning of buildings, and removal of garbage. The City to remain responsible for all capital improvements and repairs on all vertical structures due to the normal use of the facility for all concession stands, dugouts, netting, backstops, etc., parking lot improvements and maintenance of the ponds and existing trees surrounding the diamonds.
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REDEVELOPMENT COMMISSION
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

None of the parties to the proposal have signed the proposal. There was not any discussion of this informal agreement or proposal in the minutes of the Common Council, Board of Public Works, Redevelopment Commission, or Redevelopment Commission Authority.

We find no authority for the change to the terms of these agreements without the formal approval of a legislative board with authority to contract. Documentation regarding admissions, merchandise sales, and parking revenues received by BPT was not provided, so we could not determine the dollar amount of revenues that should have been remitted to the City for 2018 through 2019.

Furthermore, 18 campus use agreements, subleases, and other agreements were signed by either the Chief of Staff/Executive Director of the Redevelopment Commission or the Director of Grand Park; however, the minutes for the Redevelopment Commission for 2017 through 2020 are unclear regarding prior or subsequent approval of these agreements. General statements were recorded in the minutes that lease agreements for Grand Park had been approved; however, they were not specific as to which leases have been approved.

Criteria

Indiana Code 36-4-5-3 states in part:

"The executive shall:

- (1) enforce the ordinances of the city and the statutes of the state;
- (2) provide a statement of the finances and general condition of the city to the city legislative body at least once a year;
- (3) provide any information regarding city affairs that the legislative body requests;
- (4) recommend, in writing, to the legislative body actions that the executive considers proper; . . .
- (9) sign all bonds, deeds, and contracts of the city and all licenses issued by the city; and . . ."

Indiana Code 36-4-6-18 states: "The legislative body may pass ordinances, orders, resolutions, and motions for the government of the city, the control of the city's property and finances, and the appropriation of money."

Indiana Code 36-7-14-8(g) states:

"The redevelopment commissioners may adopt the rules and bylaws they consider necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the money and property placed in their custody by this chapter. In addition to the annual meeting, the commissioners may, by resolution or in accordance with their rules and bylaws, prescribe the date and manner of notice of other regular or special meetings."

Indiana Code 36-7-14-12.2(a) states in part:

"The redevelopment commission may do the following:

REDEVELOPMENT COMMISSION
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on. . . ."

CONTRACT NONCOMPLIANCE

Condition and Context

Pursuant to the agreement with Indiana Bulls, Inc. "within thirty (30) days after the end of each calendar month, the Bulls shall provide to the City an internally prepared, unaudited balance sheet and income statement for such calendar month and year-to-date reflecting the Bulls' operations at the Sports Campus . . ."

BPT only provided the City one financial statement, which was dated as of May 31, 2020, and only included monthly activity and balances for January 2020 through May 2020.

Also pursuant to the agreement, the "Bulls and the City shall share the first four hundred thousand dollars (\$400,000) of admission revenues . . . For all Admission Net Revenues received in excess of four hundred thousand dollars (\$400,000) in any year, the Bulls shall receive seventy percent (70%) and the City shall receive thirty percent (30%) of such revenues. . . . Specifics were provided in the agreement related to merchandise and parking."

The City invoiced BPT for the revenues in 2017 and prior; however, documentation was not provided for audit regarding how the City determined the admissions, merchandise, and parking fees billed.

The City entered into a sublease agreement with an effective date of December 1, 2011, with BPT for a portion of the Field Sports Building. The term of the lease was "for the period commencing on the Effective Date and continuing for twelve (24) months . . . Lessee has an automatic renewal for 12 months unless either party gives 60 days' notice to terminate."

Per the lease, (Section 1.04 Holding Over) it states in part: "If Tenant, with the prior written consent of Landlord, holds over and remains in possession of the Leased Premises after the expiration or earlier termination of this lease without the execution of an amendment to this Lease or a new lease, such tenancy will be on a month to month basis . . . with the exception of the Lease Term and the Base Rent . . . which will be calculated on a monthly basis at the rate equal to . . . (110%) of the Base Rent in effect as of the date of expiration . . ."

REDEVELOPMENT COMMISSION
CITY OF WESTFIELD
AUDIT RESULTS AND COMMENTS
(Continued)

Per the rent section of the lease (Section 2.01 Base Rent) it states in part: "Tenant will pay to Landlord as base rent . . . annual sum of Twenty Thousand four Hundred twelve Dollars (\$20,412) payable in monthly installments. . . The next monthly payment of the Base Rent due and payable on December 1, 2018."

BPT began paying \$1,701 monthly in March 2018. The sublease was not signed. It is unclear based upon the dates in this lease, and conflicting terms if BPT is complying or not, and if the rent being paid is correct.

Criteria

Payments made or received for contractual services must be supported by a written contract. Each unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Cities and Towns, Chapter 1)

REDEVELOPMENT COMMISSION
CITY OF WESTFIELD
EXIT CONFERENCE

The contents of this report were discussed on September 29, 2020, with Cindy Gossard, Clerk-Treasurer; Joe Edwards, President of the Common Council; Scott Willis, Common Council member; Cindy Spoljaric, Common Council member; Troy Patton, Common Council member; Mike Johns, Common Council member; Andrew Cook, Mayor/President of the Board of Public Works; Todd Burtron, Chief of Staff; and Joe Plankis, President of the Redevelopment Commission.