

Town of Winona Lake – Clarifying Statement on Resolution 2025-10-1 (attached)

The Winona Lake Town Council would like to provide clarification regarding the Town's response to the State Board of Accounts (SBOA) audit recommendations and the actions we have taken since its release.

The SBOA's directive stated (page 58):

"We recommended the Town review the expenses noted above and consider requesting reimbursement from individuals for any expenses that were personal or did not relate to the functions and purposes of the Town."

The SBOA did not require repayment, issue any findings for recovery, or make any referral to the Attorney General or Prosecutor. In fact, the SBOA Charge Committee reviewed this report twice and found no cause in any finding to recommend the matter for further review by the Attorney General's Office. The responsibility was instead given to the Town Council to conduct its own review and determine the appropriate action pertaining specifically to credit cards.

In response, the Town Council followed this directive precisely. Certified letters were sent to the individuals identified in the report (Deputy Clerk-Treasurer, 2019-22 and Town Marshal) requesting documentation and explanations for the expenses in question listed in the report (pg 56). All letters were received, and we have since received detailed written responses and supporting documentation from each individual.

From those responses, four purchases totaling \$540 were reimbursed in full by the Deputy Clerk-Treasurer (2019-22), and the Council found the explanations for the remaining items to be reasonable and well-documented. These purchases occurred during a time when formal standard operating procedures were under developed, they were made in good faith, served legitimate Town purposes, and were not for personal gain. Based on the documentation provided and the guidance of the SBOA, the Council has concluded that, through both reimbursements and credible explanations, the Town has been made whole.

Moving forward, the Council remains committed to the goals we have previously outlined:

- Adopting the updated Employee Handbook, developed with the guidance of New Focus HR, which will take effect January 1.
- Updating all Town job descriptions, also in collaboration with New Focus HR, to ensure responsibilities and expectations are clear, consistent, and reflective of best practices.
- Developing a comprehensive Internal Control Manual, which will serve as our next major focus. This manual will strengthen accountability, standardize processes, and ensure compliance with state requirements.

The Council continues to take the audit findings seriously and is committed to restoring and maintaining respect for taxpayer funds while ensuring that all employees are treated with fairness, integrity, and professionalism. We also care deeply about transparency and accountability to our constituents, which is why we continue to respond to public concern and provide factual clarity in the face of speculation and misinformation. Our goal is to keep communication open, honest, and respectful as we move forward together.

Respectfully,

Town of Winona Lake Council

Note: In accordance with state law, the Town Council has authority over Town employees and therefore made determinations regarding those expenses related to Town departments. The Park Board, as a separate governing body established under Indiana Code 36-10-3, will review and determine any recommendations related to Park Department employees.