

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

EXAMINATION REPORT  
OF  
CITY OF LAWRENCEBURG  
DEARBORN COUNTY, INDIANA  
January 1, 2006 to December 31, 2006



**FILED**  
12/31/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jacqueline A. Stutz	01-01-04 to 12-31-07
Mayor	William Cunningham	01-01-04 to 12-31-07
President of the Board of Public Works	William Cunningham	01-01-04 to 12-31-07
President of Common Council	William Cunningham	01-01-04 to 12-31-07
Superintendent of Utilities	Charles M. Davis	01-01-06 to 12-31-07
Utility Office Manager	Ginger Cotton	01-01-06 to 12-31-07



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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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CITY OF LAWRENCEBURG, DEARBORN COUNTY, INDIANA

We have examined the financial information presented herein of the City of Lawrenceburg (City), for the period of January 1, 2006 to December 31, 2006. The City'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 City for the year ended December 31, 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 3, 2007

CITY OF LAWRENCEBURG  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL, FIDUCIARY, AND PROPRIETARY FUND TYPES  
As Of And For The Year Ended December 31, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
<b>Governmental Funds:</b>				
General	\$ 3,164,420	\$ 8,389,567	\$ 6,251,692	\$ 5,302,295
Motor Vehicle Highway	1,257,783	939,904	547,187	1,650,500
Local Road and Street	127,557	31,473	79,889	79,141
Parks and Recreation	328,775	727,946	488,024	568,697
Nonreverting Parking Fees	20,633	610	-	21,243
Police Tow Fund	(1,275)	-	-	(1,275)
Nonreverting Parks Operating	342,953	101,772	33,630	411,095
Law Enforcement Continuing Education	6,977	19,269	2,364	23,882
Nonreverting Police Activity Fund	906	172	100	978
Nonreverting Economic Development	57,486	12,181	294	69,373
Remedial Flood Control	(142,137)	2,238	-	(139,899)
Nonreverting K-9 Operating	671	15,560	13,432	2,799
Nonreverting Drug Buy Program	4,278	61,284	51,312	14,250
Municipal Development	20,795,546	40,416,130	53,210,207	8,001,469
Municipal Development Bond Bank	3,984,366	139,610	-	4,123,976
Municipal Development Special Sewage	632,207	22,152	-	654,359
Riverboat	68,513,652	26,793,419	13,834,616	81,472,455
Nonreverting Refuse Collection	149,988	19,179	-	169,167
Nonreverting Police Equipment	4,895	5,503	5,615	4,783
Nonreverting Self-Insurance Disaster	65,289	-	-	65,289
Cumulative Capital Improvement	(108,583)	16,737	-	(91,846)
Nonreverting Capital Improvement Parks	(287)	-	-	(287)
Nonreverting Planning Commission	74,822	13,694	9,803	78,713
Nonreverting Industrial Park	290,782	-	-	290,782
Nonreverting Lawrenceburg Emergency Rescue Unit	65,074	43,484	-	108,558
Nonreverting Fire Fighting Equipment	581,568	154,376	139,469	596,475
Nonreverting Cumulative Equipment	(17,531)	-	-	(17,531)
Worker Training Fund	798	-	-	798
Clerk's Record Perpetuation	21,980	4,201	2,747	23,434
Housing Rehabilitation	90,332	50,982	19,675	121,639
Redevelopment Capital	50,480	-	50,480	-
Lawrenceburg Emergency Rescue Unit Fees	243,239	312,787	33	555,993
<b>Fiduciary Funds:</b>				
Police Pension	1,405,250	142,960	141,276	1,406,934
Payroll	3,949	5,805,784	5,704,523	105,210
Law Enforcement User Fees	(139)	7,806	7,806	(139)
County Court Costs	-	48,490	48,490	-
City Court	32,788	518,286	532,203	18,871
<b>Proprietary Funds:</b>				
Electric Operating	2,379,899	10,342,409	9,862,243	2,860,065
Electric Depreciation	413,640	-	-	413,640
Electric Reserve	437,874	-	-	437,874
Electric Customer Deposits	147,844	53,312	50,806	150,350
Water Operating	32,103	788,801	577,792	243,112
Water Depreciation	197,780	50,000	-	247,780
Wastewater Operating	678,650	757,574	806,912	629,312
<b>Totals</b>	<b>\$ 106,337,282</b>	<b>\$ 96,809,652</b>	<b>\$ 92,472,620</b>	<b>\$ 110,674,314</b>

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

CITY OF LAWRENCEBURG  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The City was established under the laws of the State of Indiana. The City provides the following services: public safety, highway and streets, sanitation, health and social services, culture and recreation, general administrative services, public improvement, planning and zoning, electric, water, wastewater, and economic development.

Note 2. Fund Accounting

The City 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 City 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

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.

CITY OF LAWRENCEBURG  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plans

A. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

1. Public Employees' Retirement Fund

Plan Description

The City contributes to the Indiana Public Employees' Retirement Fund (PERF), 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 the 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 City authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3% 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. The 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 plan members for PERF are established by the Board of Trustees of PERF. The City's annual pension cost and related information, as provided by the actuary, is presented in this note.

2. 1925 Police Officers' Pension Plan

Plan Description

The City contributes to the 1925 Police Officers' Pension Plan, which 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 and Annual Pension Cost

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

CITY OF LAWRENCEBURG  
NOTES TO FINANCIAL INFORMATION  
(Continued)

B. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The City contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, 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.

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 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55. 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 and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the City is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the City are established by the Board of Trustees of PERF.

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS – GOVERNMENTAL ACTIVITIES (Applies to Clerk-Treasurer)

The City does not maintain sufficient detailed records of its capital assets for its governmental activities.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets 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)

CAPITAL ASSET RECORDS - PROPRIETARY FUNDS  
(Applies to Electric, Water, and Wastewater Utilities)

The Utilities do not maintain sufficient detailed records of capital assets for their Utility Plant in Service accounts. Upon purchase, the costs of the capital assets are added to an aggregate Utility Plant in Service account, and to subsidiary accounts for land, buildings, etc., in the General Ledger. However, records providing historical costs for some of the Utilities' capital assets are not available, and records classifying and summarizing the Utilities' capital assets are incomplete. Deletions or disposals of capital assets are not recorded.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets 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)

OVERDRAWN CASH BALANCES (Applies to Clerk-Treasurer)

The following schedule shows funds with significant deficit cash balances as of December 31, 2006:

<u>Fund</u>	<u>Deficit Cash Balance</u>	<u>Investment Balance</u>	<u>Reported Balance Cash and Investments</u>
Remedial Flood Control	\$ (209,899)	\$ 70,000	\$ (139,899)
Municipal Development Fund	(3,579,281)	11,580,750	8,001,469
Cumulative Capital Improvement	(91,846)	-	(91,846)
Nonreverting Cumulative Equipment	(17,531)	-	(17,531)

Deficit cash balances can occur only because several City funds share a common depository account. When a deficit cash balance occurs, the Clerk-Treasurer is in effect borrowing funds from other City Funds without obtaining formal approval from the City Council.

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Indiana Code 36-1-8-4 (a) states: "The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

- (1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.
- (2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.
- (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.
- (4) The amount transferred must be returned to the other fund at the end of the prescribed period.
- (5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred."

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DONATIONS TO SCHOOL ENDOWMENT CORPORATIONS (Applies to Common Council)

There are three school corporations in Dearborn County and three school endowment corporations established to provide educational resources to the respective school corporations. The City paid a total of \$1,200,115 from gaming tax revenues to the three school endowment corporations in the year 2006. The City entered into separate revenue sharing agreements prior to the year 2006 with each of the school corporations that provided for a portion of the gaming tax revenue received by the City from riverboat gaming operations to be paid to the respective school endowment corporations. However, there were no agreements between the three school endowment corporations and the City establishing conditions for the return of the donation to the City.

Indiana Code 20-47-1-3 states: "A political subdivision may donate proceeds from riverboat gaming to a public school endowment corporation under the following conditions:

- (1) The public school endowment corporation retains all rights to the donation, including investment powers.
- (2) The public school endowment corporation agrees to return the donation to the political subdivision if the corporation:
  - (A) loses the corporation's status as a public charitable organization;
  - (B) is liquidated; or
  - (C) violates any condition of the endowment set by the fiscal body of the political subdivision."

A similar comment was included in the prior Report B29113.

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

SCHOLARSHIP PROGRAM (Applies to Common Council)

The Common Council passed Resolution 14-2002 that authorized the establishment of a "City of Lawrenceburg Education Grant Program" to be administered by the Dearborn County Community Foundation (Foundation). This program provides scholarships to graduates of Lawrenceburg High School and is funded by the City with payments to the Foundation from the City's Municipal Development Fund (MDF). The source of funding for the MDF is a contractual fee paid to the City by a riverboat operator. In 2006, the City Council passed Home Rule Ordinance 8-2006 authorizing the use of City funds for this purpose. In 2006, the City paid \$400,000 to the Foundation to distribute the scholarships; however, no contractual agreement between the City and the Foundation was presented for examination.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

DONATION TO VOLUNTEER FIRE DEPARTMENT (Applies to Common Council)

In 2006, the City donated \$4,000 from the General Fund to the Lawrenceburg Volunteer Fire Department to help fund the fire department's Christmas party.

Indiana Code 36-8-12-3 states: "A unit may enter into an agreement with one (1) or more volunteer fire departments that maintain adequate firefighting service for the use and operation of fire-fighting apparatus and equipment owned by the volunteer fire department, including the service of the operators of the apparatus and equipment, so that the private and public property of the unit is saved from destruction by fire."

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)

COMPENSATION NOT REPORTED (Applies to Park Board)

The Park and Recreation Department's facility rental agreements for the use of Agner Hall require police coverage during events at which alcoholic beverages will be consumed. The rental agreement sets the cost of the police coverage at \$20 per hour. The Police Department assigns an off-duty police officer or a reserve officer to cover the event. The agreement requires the renter to pay the assigned officer directly for his services.

The City appears to be the employer of the assigned police officer because the City is setting the compensation and assigning the police officer to monitor activity at a City facility. We recommended that the City contact the Internal Revenue Service and the Indiana Department of Revenue to request written determination as to whether the City has a responsibility to report these wages and to remit applicable payroll taxes.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

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)

A similar comment was included in prior Report B29113.

FUNDS NOT RECORDED IN FINANCIAL RECORDS (Applies to Clerk-Treasurer)

The Local Emergency Rescue Unit (LERU) became a department of the City in the year 2005. Receipts collected by the LERU during the year 2006 for emergency runs were deposited into a separate City bank account; however, these funds are not recorded in the City's financial records.

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines for Cities and Towns, Chapter 7)

A similar comment was included in the prior Report B29113.

CLOTHING ALLOWANCES (Applies to Clerk-Treasurer, Common Council, and Utility Service Board)

Article III (7) of the collective bargaining agreement between the City of Lawrenceburg, Indiana and the International Association of Machinists and Aerospace Workers, effective through December 31, 2008, states in part:

"The Employer agrees to pay each employee the cost of five complete sets of uniforms per employee per year, to be paid in March of each year. The City agrees to obtain current prices each year. . . . Employees will be required to show proof of purchase and wear the uniforms."

Clothing allowances are being paid as follows:

<u>Employee</u>	<u>Amount</u>
Police officers and dispatchers	\$ 700
Firemen	500
Rescue unit employees	500
Utility employees	475
All other City employees	475

In regards to the payment of clothing allowance we found the following:

1. The collective bargaining agreement does not authorize the payment of clothing allowance without a proof a purchase. However, not all employees receiving the clothing allowance provided the required proof of purchase.

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)

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

2. Clothing allowance paid in excess of proof of purchase submitted by police officers and dispatchers, firemen, and rescue unit employees are not reported on Internal Revenue Service Form W-2.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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)

We recommended that the City either comply with the collective bargaining agreement or modify the agreement to reflect the City's practice of paying clothing allowances.

A similar comment was included in the prior Report B29113.

PERSONAL USE OF CITY OWNED VEHICLES (Applies to Clerk-Treasurer, Common Council, and Utility Service Board)

Automobiles are furnished by the City to various employees. It has been the City's practice to allow the Mayor, City Manager, Project Manager, Utility Superintendent, Foremen, Ordinance Enforcement Officer, and Safety Inspector to drive the vehicles from their home to work. With the exception of the Utility Superintendent, the employees do not reimburse the City or Utility for use of the City vehicle, and no additional income is shown on these employees' W-2 forms for use of the vehicle to drive from their home to work.

Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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)

A similar comment was included in the prior Report B29113.

BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS (Applies to Utility Service Board)

It is the Utilities' practice to write off accounts that have been shut off, and remain unpaid after 90 days. No written policy was presented for examination.

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.

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

Documentation should exist for all efforts made by the governmental unit to collect amounts owed prior to any write-offs.

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)

DELINQUENT UTILITY ACCOUNTS (Applies to Utility Service Board)

The Disconnection for Non-Payment Policy, approved by the Utility Service Board, allows a customer to enter into a payment agreement prior to having service disconnected if the customer pays 50% of the delinquent account balance and agrees to pay the remaining 50% within 30 days. The Superintendent of Utilities and the Utility Office Manager stated that it is the Utilities' practice to allow customers to make other arrangements, handled on a case by case basis, that are not included in the written policy. These practices include the following without written Utility Service Board approval:

1. Customers may sign payment agreements for amounts less than 50% of the delinquent account balance.
2. A customer may sign a list in the Utility office, without making a payment, if the customer specifies the date the payment will be made.
3. Service may not be disconnected even if payments are not made in accordance with the payment agreements.

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)

We recommended the Utilities comply with the Disconnection for Non-Payment Policy or modify the policy to agree with their practice for handling delinquent accounts.

A similar comment was included in the prior Report B29113.

DELINQUENT WASTEWATER ACCOUNTS (Applies to Utility Office Manager)

Delinquent wastewater fees and penalties had not been recorded with the County Recorder nor were they certified to the County Auditor which would result in a lien against the property.

Indiana Code 36-9-23-33 states in part:

"(b) Except as provided in subsection (l), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

CITY OF LAWRENCEBURG  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

- (1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:
  - (A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent.
  - (B) A description of the premises, as shown by the records of the county auditor.
  - (C) The amount of the delinquent fees, together with the penalty.
- (2) An individual instrument for each lot or parcel of real property on which the fees are delinquent."

"(c) The officer shall record a copy of each list or each individual instrument with the county recorder. . . ."

"(e) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. . . ."

A similar comment was included in the prior Report B29113.

COLLECTIONS NOT REMITTED TIMELY (Applies to Building Department)

Building Department collections were held in excess of one week prior to being remitted to the Clerk-Treasurer's office for 80% of the remittances we reviewed.

All collections made by any department or person connected with a city or town shall be turned in to the Clerk-Treasurer or Controller at least weekly. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 6)

NONCOMPLIANCE WITH SALARY ORDINANCE (Applies to Water Utility and Wastewater Utility)

The Working Foreman for the Water and Sewer Utilities began receiving \$22.42 per hour instead of the rate approved per the salary ordinance of \$21.24 per hour. In 2007, he received \$22.84 per hour instead of the approved rate of \$21.84 per hour. We brought this discrepancy to the attention of City officials. The salary ordinances were amended on November 19, 2007, to approve the hourly rate rates paid to the Working Foreman.

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)

CITY OF LAWRENCEBURG  
EXIT CONFERENCE

The contents of this report were discussed on December 3, 2007, with William Cunningham, Mayor; Jacqueline A. Stutz, Clerk-Treasurer; Tom Stiedel, City Manager; and Mario Todd, Common Council member.

The contents of this report were also discussed on December 3, 2007, with Charles M. Davis, Superintendent of Utilities. This official concurred with our findings.