

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

TOWN OF MONROE

ADAMS COUNTY, INDIANA

January 1, 2010 to December 31, 2010



FILED
12/06/2011

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.....	7-11
Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-16
Schedule of Capital Assets.....	17
Schedule of Long-Term Debt	18
Examination Results and Comments:	
Condition of Records	19
Annual Report.....	19
Public Records Retention	19-20
Collection of Amounts Due	20
Utility Late Fees.....	20
Payroll Deductions.....	20
Exit Conference.....	21

OFFICIALS

Office

Official

Term

Clerk-Treasurer

Rachel A. Burkhart

01-01-08 to 12-31-11

President of the
Town Council

C. Allen Lehman

01-01-10 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MONROE, ADAMS COUNTY, INDIANA

We have examined the financial statement of the Town of Monroe (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 of 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.

This report is intended solely for the information and use of the Town's management and the 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

November 7, 2011

(This page intentionally left blank.)

FINANCIAL STATEMENT

The financial statement and accompanying notes were approved by management of the Town. The financial statement and notes are presented as intended by the Town.

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

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General	\$ 172,237	\$ 157,838	\$ 154,089	\$ 175,986
Motor Vehicle Highway	80,333	64,126	47,930	96,529
Local Road and Street	14,005	3,076	2,094	14,987
Parks and Recreation	12,155	4,099	3,305	12,949
Rainy Day	66,600	32,000	-	98,600
Levy Excess	-	467	-	467
Cumulative Capital Development	27,170	9,073	17,000	19,243
Cumulative Capital Improvement (Special Fire)	36,336	5,858	-	42,194
Cumulative Capital Improvement	31,983	2,353	17,611	16,725
Economic Development Income Tax	79,006	16,549	1,686	93,869
Payroll	1,934	117,055	118,495	494
Trash/Garbage	28,341	35,000	35,555	27,786
Wastewater Utility-Operating	217,206	143,866	114,586	246,486
Wastewater Utility-Bond and Interest	11,838	20,470	17,623	14,685
Wastewater Utility-Reserve	76,000	24,000	10,000	90,000
Water Utility-Operating	52,629	131,766	145,762	38,633
Water Utility-Reserve	41,000	12,000	-	53,000
Totals	<u>\$ 948,773</u>	<u>\$ 779,596</u>	<u>\$ 685,736</u>	<u>\$ 1,042,633</u>

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

TOWN OF MONROE
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, trash, 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.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses 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 licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

TOWN OF MONROE
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 distributions 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).

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

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

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 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.

Other services and charges which include, but are 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.

TOWN OF MONROE
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

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.

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.

TOWN OF MONROE
NOTES TO FINANCIAL STATEMENT
(Continued)

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 statement. 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 Plan*

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 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:

TOWN OF MONROE
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

(This page intentionally left blank.)

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/.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the Annual Report of the Town which is referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was prepared and/or approved by management of the Town. It is presented as intended by the Town.

TOWN OF MONROE
 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	Parks and Recreation	Rainy Day	Levy Excess
Cash and investments - beginning	\$ 172,237	\$ 80,333	\$ 14,005	\$ 12,155	\$ 66,600	\$ -
Receipts:						
Taxes	102,524	40,208	-	3,664	-	-
Intergovernmental	52,614	23,812	3,076	435	-	467
Charges for services	634	-	-	-	-	-
Fines and forfeits	159	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	1,907	106	-	-	32,000	-
Total receipts	<u>157,838</u>	<u>64,126</u>	<u>3,076</u>	<u>4,099</u>	<u>32,000</u>	<u>467</u>
Disbursements:						
Personal services	51,259	33,049	-	-	-	-
Supplies	20,930	11,290	-	-	-	-
Other services and charges	78,440	3,244	-	3,305	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	3,460	347	2,094	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	<u>154,089</u>	<u>47,930</u>	<u>2,094</u>	<u>3,305</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,749</u>	<u>16,196</u>	<u>982</u>	<u>794</u>	<u>32,000</u>	<u>467</u>
Cash and investments - ending	<u>\$ 175,986</u>	<u>\$ 96,529</u>	<u>\$ 14,987</u>	<u>\$ 12,949</u>	<u>\$ 98,600</u>	<u>\$ 467</u>

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

	Cumulative Capital Development	Cumulative Capital Improvement (Special Fire)	Cumulative Capital Improvement	Economic Development Income Tax	Payroll	Trash/ Garbage
Cash and investments - beginning	\$ 27,170	\$ 36,336	\$ 31,983	\$ 79,006	\$ 1,934	\$ 28,341
Receipts:						
Taxes	7,869	-	-	-	-	-
Intergovernmental	932	620	2,149	16,549	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	35,000
Other receipts	272	5,238	204	-	117,055	-
Total receipts	9,073	5,858	2,353	16,549	117,055	35,000
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	1,686	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	17,000	-	17,611	-	-	-
Utility operating expenses	-	-	-	-	-	35,555
Other disbursements	-	-	-	-	118,495	-
Total disbursements	17,000	-	17,611	1,686	118,495	35,555
Excess (deficiency) of receipts over disbursements	(7,927)	5,858	(15,258)	14,863	(1,440)	(555)
Cash and investments - ending	\$ 19,243	\$ 42,194	\$ 16,725	\$ 93,869	\$ 494	\$ 27,786

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

	Wastewater Utility-Operating	Wastewater Utility - Bond and Interest	Wastewater Utility-Reserve	Water Utility-Operating	Water Utility-Reserve	Totals
Cash and investments - beginning	\$ 217,206	\$ 11,838	\$ 76,000	\$ 52,629	\$ 41,000	\$ 948,773
Receipts:						
Taxes	-	-	-	-	-	154,265
Intergovernmental	-	-	-	-	-	100,654
Charges for services	-	-	-	-	-	634
Fines and forfeits	-	-	-	-	-	159
Utility fees	133,866	-	-	119,579	-	288,445
Other receipts	10,000	20,470	24,000	12,187	12,000	235,439
Total receipts	<u>143,866</u>	<u>20,470</u>	<u>24,000</u>	<u>131,766</u>	<u>12,000</u>	<u>779,596</u>
Disbursements:						
Personal services	-	-	-	-	-	84,308
Supplies	-	-	-	-	-	32,220
Other services and charges	-	-	-	-	-	86,675
Debt service - principal and interest	-	17,623	-	-	-	17,623
Capital outlay	-	-	-	-	-	40,512
Utility operating expenses	70,578	-	-	118,699	-	224,832
Other disbursements	44,008	-	10,000	27,063	-	199,566
Total disbursements	<u>114,586</u>	<u>17,623</u>	<u>10,000</u>	<u>145,762</u>	<u>-</u>	<u>685,736</u>
Excess (deficiency) of receipts over disbursements	<u>29,280</u>	<u>2,847</u>	<u>14,000</u>	<u>(13,996)</u>	<u>12,000</u>	<u>93,860</u>
Cash and investments - ending	<u>\$ 246,486</u>	<u>\$ 14,685</u>	<u>\$ 90,000</u>	<u>\$ 38,633</u>	<u>\$ 53,000</u>	<u>\$ 1,042,633</u>

TOWN OF MONROE
 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.

	<u>Ending Balance</u>
Town:	
Capital assets, not being depreciated:	
Land	\$ <u>61,094</u>
Water Utility:	
Capital assets, not being depreciated:	
Land	86,588
Improvements other than buildings	1,414,473
Machinery and equipment	<u>28,019</u>
Total Water Utility capital assets	<u>1,529,080</u>
Wastewater Utility:	
Capital assets, not being depreciated:	
Improvements other than buildings	1,574,332
Machinery and equipment	<u>69,094</u>
Total Wastewater Utility capital assets	<u>1,643,426</u>
Total capital assets not being depreciated	<u>\$ 3,233,600</u>

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year	Fund/ Department
Revenue bonds:			
Refunding bonds of 1989	<u>\$ 45,000</u>	<u>\$ 1,793</u>	Wastewater Utility

TOWN OF MONROE
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The following deficiencies were present during our period of examination:

1. There were a considerable number of posting errors. These errors included checks posted in the incorrect time period and receipts not recorded in the proper amounts.
2. Some transactions were recorded as "negative" receipts and disbursements.

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

ANNUAL REPORT

The City and Town Annual Report (CTAR-1) for 2010 was not filed with the State Board of Accounts until April 6, 2011. Also, the City and Town Annual Report for 2010 was not accurately presented as follows:

1. The January 1, 2010 balances of six funds did not agree with the December 31, 2009 balances from the prior report.
2. A transfer between two funds of \$24,000 was not reflected in the receiving fund.
3. The Levy Excess Fund was not reported.

Indiana Code 5-11-1-4 concerning annual reports states in part: ". . . These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year."

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

PUBLIC RECORDS RETENTION

Town officials took sealed bids for a detention pond. The six bids received were not retained for examination. Due to the lack of supporting information, the validity and accountability for the awarding of the construction contract could not be established.

Indiana Code 5-15-6-3(d) states:

"No financial records or records relating thereto shall be destroyed until the earlier of the following actions:

- (1) The audit of the records by the State Board of Accounts has been completed, report filed, and any exceptions set out in the report satisfied.
- (2) The financial record or records have been copied or reproduced as described in subsection (e)."

TOWN OF MONROE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

COLLECTION OF AMOUNTS DUE

Accounts receivable of \$15,545 (approximately 61 percent of total accounts receivable) were 90 or more days past due at December 31, 2010. A similar comment appeared in prior Report B37926.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

UTILITY LATE FEES

Instances were noted where penalties on delinquent wastewater bills were not properly calculated. A similar comment appeared in prior Report B37926.

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)

Indiana Code 36-9-23-31 states in part: "If fees assessed against real property under this chapter . . . are not paid within the time fixed by the municipal legislative body, they are delinquent. A penalty of ten percent (10%) of the amount of the fees attaches to the delinquent fees."

It is our audit position that the 10% penalty (on unpaid wastewater bills) specified in IC 36-9-23-31 should be assessed one time and one time only. Subsequent billings should not include additional assessments on this penalty. Similarly, unless specifically directed by statute, ordinance, or other legal directives, penalties on late fees for municipal utilities organized under IC 8-1.5 should be charged only one time. Future late charges should not include additional charges added to the penalties on late fees. (Cities and Towns Bulletin and Uniform Compliance Guidelines, March 2009)

PAYROLL DEDUCTIONS

A payroll deduction for an employee's share of health insurance was erroneously added instead of deducted from their pay. As a result, the employee was overpaid \$1,770 as of the date of this report. The Town will be repaid through additional payroll withholdings at \$15 per weekly pay.

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)

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

TOWN OF MONROE
EXIT CONFERENCE

The contents of this report were discussed on November 7, 2011, with Rachel A. Burkhart, Clerk-Treasurer, and C. Allen Lehman, President of the Town Council.