

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF PORTER

PORTER COUNTY, INDIANA

January 1, 2014 to December 31, 2015



**FILED**  
11/10/2016



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SCHEDULE OF OFFICIALS

| <u>Office</u>                 | <u>Official</u> | <u>Term</u>          |
|-------------------------------|-----------------|----------------------|
| Clerk-Treasurer               | Carol Pomeroy   | 01-01-12 to 12-31-19 |
| President of the Town Council | Greg Stinson    | 01-01-12 to 12-31-12 |
|                               | Elka Nelson     | 01-01-13 to 12-31-13 |
|                               | Greg Stinson    | 01-01-14 to 12-31-16 |



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

TO: THE OFFICIALS OF THE TOWN OF PORTER, PORTER COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Porter (Town), for the period from January 1, 2014 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statement Examination Report of the Town, which provides our opinion on the Town's financial statement. This report may be found at [www.in.gov/sboa/](http://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 Examination Result and Comment contained herein describes 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 Examination Result and Comment, incorporated within this report, was not verified for accuracy.

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

April 20, 2016

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CLERK-TREASURER  
TOWN OF PORTER

CLERK-TREASURER  
TOWN OF PORTER  
EXAMINATION RESULT AND COMMENT

**SOLID WASTE DISPOSAL SERVICES**

The Town did not account for the fees collected and the related expenses for solid waste pick-up services as authorized by statute for recording transactions associated with trash pick-up services.

The Cities and Towns Bulletin and Uniform Compliance Guidelines, June 2008, states in part:

"From the foregoing statutes, there appear to be three methods available for providing trash or solid waste collection and disposal:

1. Under IC 36-9-23, the service charges can be a part of the sewage utility fees. IC 36-9-25 also authorizes all second class cities and all municipalities in Lake County to make this service a part of the sanitary district service fees.
2. IC 36-9-30 authorizes a separate utility along with a separate fund for solid waste collection, treatment, and disposal.
3. IC 36-9-30 also allows a unit to pay for this service by general taxation.

To summarize, if a unit wishes to either establish a pickup service or to change from tax supported service to a user fee service, the foregoing statutes should be reviewed by the unit's legal counsel. The unit's attorney should prepare an ordinance expressing the governing body's wishes, the ordinance should be advertised, public hearings should be conducted, and the legislative body should act thereon. The ordinance should set out such provisions as:

1. The service to be provided.
2. The area in which the service is to be provided.
3. The method by which the service is to be provided.
4. The charges for the service. The charges should be billed separately even if established as a service of the sewage utility.
5. The method of payments of user charges, period covered, due dates, location of places payments are to be received, etc.
6. Any penalties to be assessed for late payments.
7. The method of accounting for service charges. The Home Rule statute, as well as the other statutes cited, requires the revenues to be restricted to the amount reasonably related to the cost of providing the services. None of the statutes authorize a profit to be made or for any surplus to be transferred to another fund for other uses. Accounting shall be such that documentation will be provided to comply with the foregoing provisions."

CLERK-TREASURER  
TOWN OF PORTER  
EXIT CONFERENCE

The contents of this report were discussed on April 20, 2016, with Carol Pomeroy, Clerk-Treasurer; Erik Wagner, Vice President of the Town Council; and Daniel Colbert, President of the Storm Water Board.