

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF KINGSFORD HEIGHTS

LAPORTE COUNTY, INDIANA

January 1, 2012 to December 31, 2015



FILED
11/18/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Rosalie A. Jacobs Patty Arnett	01-01-12 to 08-14-14 08-15-14 to 12-31-18
President of the Town Council	Evelyn Ballinger Renee Allen Wiltfong	01-01-12 to 12-31-15 01-01-16 to 12-31-16
Superintendent of Water Utility	Timothy Lindewald Henry Ruiz Richard Oberle Henry Ruiz	01-01-12 to 02-25-15 02-26-15 to 02-14-16 02-15-16 to 03-15-16 03-16-16 to 12-31-16
Superintendent of Wastewater Utility	Henry Ruiz Richard Oberle Henry Ruiz	01-01-12 to 02-14-16 02-15-16 to 03-15-16 03-16-16 to 12-31-16
Superintendent of Electric Utility	Jason Cox Rob Bunch Richard Oberle Rob Bunch	01-01-12 to 02-05-15 02-06-15 to 02-14-16 02-15-16 to 03-15-16 03-16-16 to 12-31-16
President of the Park Board	Dennis Budd Dennis Francis	01-01-12 to 09-01-15 09-02-15 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

TO: THE OFFICIALS OF THE TOWN OF KINGSFORD HEIGHTS, LAPORTE COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Kingsford Heights (Town), for the period from January 1, 2012 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 Statements Examination Report of the Town, which provides our opinion on the Town's financial statements. 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 Examination 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

May 23, 2016

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TOWN COUNCIL
TOWN OF KINGSFORD HEIGHTS

TOWN COUNCIL
TOWN OF KINGSFORD HEIGHTS
EXAMINATION RESULT AND COMMENT

ORDINANCES

Prepayment of Claims

The Town Council did not have an ordinance to allow the Clerk-Treasurer to pay claims prior to approval by the Town Council at a public meeting. Of the claims tested, 28 percent were paid prior to Board approval.

IC 36-4-8 and IC 36-5-4 lists various conditions which must be met prior to issuing warrants in cities and towns. IC 36-4-8-14 and IC 36-5-4-12 allows a city or town council with the prior written approval of the board having jurisdiction over the allowance of claims, to adopt an ordinance allowing the city or town fiscal officer to pay certain types of claims prior to board allowance.

The types of claims which could be paid before board allowance include: (1) property or services purchased from the U.S. Government, (2) license or permit fees, (3) insurance premiums, (4) utility payments or connection charges, (5) general grant programs where advance refunding is not prohibited and the contracting party posts sufficient security to cover the amount advanced, (6) grants of State funds, (7) maintenance or service agreements, (8) leases or rental agreements, (9) bond or coupon payments, (10) payroll, (11) state, federal or county taxes, (12) expenses that must be paid because of emergency circumstances, and (13) expenses described in an ordinance.

The legislative body or the board having jurisdiction over the allowance of the claims shall review and allow the claims at the body's or board's next regular or special meeting following the preapproved payment of the expense. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Police Fees

The Town Council did not enact an ordinance establishing fees for police accident reports or VIN checks.

TOWN COUNCIL
TOWN OF KINGSFORD HEIGHTS
EXAMINATION RESULT AND COMMENT
(Continued)

Indiana Code 9-29-11-1(a) states: "Except as provided in subsection (c), the main department, office, agency, or other person under whose supervision a law enforcement officer carries on the law enforcement officer's duties may charge a fee that is fixed by ordinance of the fiscal body in an amount not less than five dollars (\$5) for each report."

The following procedures are recommended for a municipality to impose an inspection fee.

1. If the legislative body of a municipality wishes to authorize the imposition of a fee for inspecting motor vehicles, the city or town attorney should be consulted for his or her guidance in preparing and enacting an ordinance listing the inspection fee to be charged and how such revenues should be handled. IC 9-29-4-2 states that the fee may not exceed five dollars (\$5). . . . (Cities and Towns Bulletin and Uniform Compliance Guidelines, September 2013)

Utility Penalties

The Town Council did not establish an ordinance establishing penalties for past due garbage or electric services.

Indiana Code 36-9-23-31, states in part:

"If fees assessed against real property under this chapter or any statute repealed by IC 19-2-5-30 (repealed September 1, 1981) 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 fees attaches to the delinquent fees. . . ."

We are not aware of provisions in the Indiana Code specifically addressing late fees for water, gas, and electric utilities organized under IC 8-1.5. The amount and manner of charging late fees on such utilities should be set out in the various bond ordinances, rate ordinances, or other ordinances, resolutions or policies adopted by the governing body. (Cities and Towns Bulletin and Uniform Compliance Guidelines, March 2009)

TOWN COUNCIL
TOWN OF KINGSFORD HEIGHTS
EXIT CONFERENCE

The contents of this report were discussed on May 23, 2016, with Renee Allen Wiltfong, President of the Town Council; Kari A. Moss, Vice President of the Town Council; Patty M. Arnett, Clerk-Treasurer; Terry J. Beane Sr., Town Council member; and Jerry W. Hunt, Town Council member.

PARK DEPARTMENT
TOWN OF KINGSFORD HEIGHTS

PARK DEPARTMENT
TOWN OF KINGSFORD HEIGHTS
EXAMINATION RESULT AND COMMENT

PARK BOARD MINUTES NOT PRESENTED

The minutes of the meetings of the Park Board were not presented for examination.

Indiana Code 36-10-3-8(c) states: "At its first regular meeting each year the board shall elect a president and a vice president. The vice president may act as president during the absence or disability of the president. The board may select a secretary either from within or outside its membership."

Indiana Code 5-14-1.5-4 states in part:

". . . (b) As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under section 3.5 or 3.6 of this chapter or any other statute that authorizes a governing body to conduct a meeting using an electronic means of communication.

(c) The memoranda are to be available within a reasonable period of time after the meeting for the purpose of informing the public of the governing body's proceedings. The minutes, if any, are to be open for public inspection and copying."

PARK DEPARTMENT
TOWN OF KINGSFORD HEIGHTS
EXIT CONFERENCE

The contents of this report were discussed on May 23, 2016, with Dennis Francis, President of the Park Board; Renee Allen Wiltfong, President of the Town Council; Kari A. Moss, Vice President of the Town Council; Patty M. Arnett, Clerk-Treasurer; Rosalie A. Jacobs, former Clerk-Treasurer; Terry J. Beane Sr., Town Council member; and Jerry W. Hunt, Town Council member.