

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

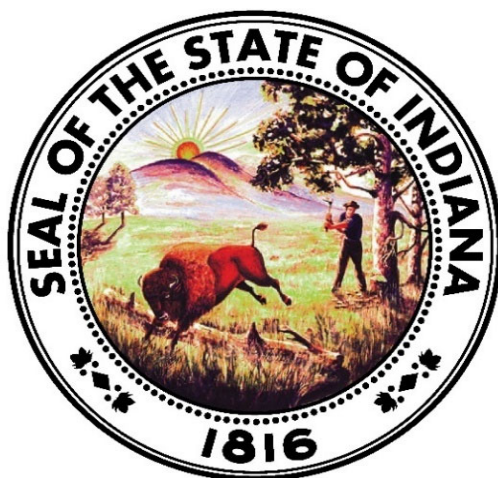
SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF RICHMOND

WAYNE COUNTY, INDIANA

January 1, 2022 to December 31, 2022



**FILED**

08/22/2023



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Emily Palmer	01-01-22 to 12-31-23
Mayor	David M. Snow	01-01-22 to 12-31-23
President of the Board of Public Works and Safety	Vicki Robinson	01-01-22 to 12-31-23
President of the Common Council	Gary Turner Jeff Cappa	01-01-22 to 12-31-22 01-01-23 to 12-31-23
President of the Board of Sanitary Commissioners	Suzanne Miller	01-01-22 to 12-31-23



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
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TO: THE OFFICIALS OF THE CITY OF RICHMOND, WAYNE COUNTY, INDIANA

This report is supplemental to the audit report of the City of Richmond (City), for the period from January 1, 2022 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the City. It should be read in conjunction with the Financial Statement Audit Report of the City, which provides our opinions on the City'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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE  
Deputy State Examiner

August 9, 2023

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CITY CONTROLLER  
CITY OF RICHMOND

CITY CONTROLLER  
CITY OF RICHMOND  
AUDIT RESULTS AND COMMENTS

**CAPITAL ASSETS**

*Condition and Context*

One asset out of ten tested on the capital asset listing maintained by the City was still included on the listing despite previously having been disposed. In addition, the City did not complete a physical inventory of capital assets every two years as required.

*Criteria*

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

**ANNUAL FINANCIAL REPORT - OTHER INFORMATION**

*Condition and Context*

Financial and other information are required to be entered annually into the Annual financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system. The City's capital assets reported on Gateway did not agree with the detailed capital asset listing on file. The AFR amounts were reported based on a listing of asset account balances provided by the City's financial consultant; however, the asset detail maintained by the City was materially inconsistent with amounts reported. No reconciliation between the two was presented for audit.

The City has chosen not to report the Capital Asset Schedule as Other Information.

*Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. 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. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

CITY CONTROLLER  
CITY OF RICHMOND  
EXIT CONFERENCE

The contents of this report were discussed on August 9, 2023, with Emily Palmer, City Controller; Tracy McGinnis, Deputy City Controller; David M. Snow, Mayor; and Jeff Cappa, President of the Common Council.