

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF AKRON

FULTON COUNTY, INDIANA

January 1, 2019 to December 31, 2022



FILED

11/08/2023

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Rebecca Hartzler	01-01-19 to 12-31-23
President of the Town Council	James Saner	01-01-19 to 12-31-23



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF AKRON, FULTON COUNTY, INDIANA

This report is supplemental to the audit report of the Town of Akron (Town), for the period from January 1, 2019 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 Town. It should be read in conjunction with the Financial Statements Audit Report of the Town, which provides our opinions 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 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

October 31, 2023

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CLERK-TREASURER
TOWN OF AKRON

CLERK-TREASURER
TOWN OF AKRON
AUDIT RESULTS AND COMMENTS

CAPITAL ASSETS

Condition and Context

The Town had a capital asset policy detailing the capital asset threshold and included an annual physical inventory requirement. Five purchases during the audit period, noted in the Town Council minutes, should have been included in the capital asset listing, but only three of these purchases were added. Based on an inspection of ten capital assets, one had been sold and replaced by the Town, but the capital asset listing had not been updated to reflect the replacement. Additionally, the Town had not conducted a physical inventory on an annual basis.

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)

UTILITY BILLINGS

Condition and Context

A test of 28 utility customer billings was performed. For 2 of the utility bills tested, no sales tax was charged to the customer's water bills, despite not being tax exempt. For 3 of the utility bills tested, hydrant rental rates were not charged to customer's wastewater bills at the correct amounts. For 2 of the utility bills tested, amounts charged for water consumption did not agree with the Town's established rate ordinance.

Criteria

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

CLERK-TREASURER
TOWN OF AKRON
EXIT CONFERENCE

The contents of this report were discussed on October 31, 2023, with Rebecca Hartzler, Clerk-Treasurer, and James Saner, President of the Town Council.