

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

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF CAMDEN

CARROLL COUNTY, INDIANA

January 1, 2023 to December 31, 2024



FILED
05/20/2025

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Jeff Sieber	01-01-23 to 12-31-25
President of the Town Council	Brent Deel	01-01-23 to 12-31-23
	Mark Schock	01-01-24 to 12-31-25



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INDIANA STATE BOARD OF ACCOUNTS

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TO: THE OFFICIALS OF THE TOWN OF CAMDEN, CARROLL COUNTY, INDIANA

This report is supplemental to the audit report of the Town of Camden (Town), for the period from January 1, 2023 to December 31, 2024. 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 Statement Audit Report of the Town, which provides our opinions on the Town's financial statement. 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

May 8, 2025



CLERK-TREASURER
TOWN OF CAMDEN

CLERK-TREASURER
TOWN OF CAMDEN
AUDIT RESULTS AND COMMENTS

INTERNAL CONTROLS OVER FINANCIAL TRANSACTIONS AND REPORTING

A similar comment appeared in prior Report 000000565S, entitled *INTERNAL CONTROLS*.

Condition and Context

There were deficiencies in the internal control system of the Town related to financial reporting and cash and investments.

Financial Reporting

An Annual Financial Report (AFR) is required to be submitted annually via the Indiana Gateway for Government Units financial reporting system, which was the source for the financial statement. The Town did not have internal controls in place to prevent, or detect and correct, errors prior to submission. The Clerk-Treasurer was responsible for submitting the AFR without an oversight, review, or approval process.

Cash and Investments

The Town had designed a review process to ensure the accuracy and completeness of cash and investments as part of the monthly bank reconciliation procedures; however, the review process was not documented.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

CLERK-TREASURER
TOWN OF CAMDEN
AUDIT RESULTS AND COMMENTS
(Continued)

INTERNAL CONTROLS - COMPLIANCE

Condition and Context

Internal control deficiencies resulted in the noncompliance over:

- Annual Financial Report
- Capital Assets
- Compensation and Benefits
- Trash Fees

These internal control deficiencies are further detailed in the comments below.

Criteria

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

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ANNUAL FINANCIAL REPORT

A similar comment also appeared in prior Report 000000565S, entitled *ANNUAL FINANCIAL REPORT - OTHER INFORMATION*.

Condition and Context

The Annual Financial Report (AFR) is required to be submitted annually via the Indiana Gateway for Government Units financial reporting system which was the source for the financial statement and other information. The Town had not established effective internal controls over the information submitted in the AFR, which resulted in the following errors:

CLERK-TREASURER
TOWN OF CAMDEN
AUDIT RESULTS AND COMMENTS
(Continued)

Grants

The Town did not include the Indiana Finance Authority SWIF Award grant expenditures in the grant schedule. As a result, expenditures on the grant schedule were understated by \$308,750 and \$66,250 at December 31, 2023 and 2024, respectively.

Leases and Debt

The Town did not accurately report the SRF Wastewater Loan in the debt schedule for the year ended December 31, 2023. As a result, the ending principal balance and the principal due within one year were understated by \$56,733 and \$19,000, respectively.

The Town did not include the SRF Wastewater Loan in the debt schedule for the year ended December 31, 2024. As a result, the ending principal balance and principal due within one year were understated by \$86,000 and \$20,000, respectively.

The information submitted in the AFR was used to generate the Schedule of Leases and Debt presented as Other Information in the Financial Statement Audit Report of the Town. Adjustments were proposed, accepted by the Town, and made to the Schedule of Leases and Debt and to the debt information within the AFR.

Capital Assets

The Town did not provide supporting documentation to verify the capital asset amounts reported in the AFR for the years ended December 31, 2023, and December 31, 2024. As such, the Town approved the omission of the Schedule of Capital Assets from the Financial Statement Audit Report of the Town.

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 as set forth in the uniform compliance guidelines. 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](#)."

CAPITAL ASSETS

The same comment also appeared in prior Report 000000565S.

Condition and Context

The Town did not have adequate internal controls to ensure compliance with capital asset requirements.

The Town did not maintain a detailed listing of capital assets. Additionally, the Town did not perform a physical inventory of capital assets at least every two years as required.

CLERK-TREASURER
TOWN OF CAMDEN
AUDIT RESULTS AND COMMENTS
(Continued)

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)

COMPENSATION AND BENEFITS

Condition and Context

The Town had not established effective internal controls to ensure personnel were properly paid, per the approved salary ordinance. Town Ordinance #2022-3 stated that the Clerk-Treasurer "shall be paid 26 pays at \$1,511.73 each pay . . ." Additionally, Town Ordinance #2022-3 also stated "\$1,557.92 (\$59.92 per pay for 26 pays) will be placed in a retirement fund . . ."

When entering pay rates into the financial system, the Clerk-Treasurer mistakenly entered \$1,557.92 as the biweekly pay rate. The \$1,557.92 entered as the biweekly pay rate was the total yearly amount to be remitted to the retirement fund; however, \$1,511.73 should have been the biweekly pay rate as stated in Town Ordinance #2022-3, resulting in an overpayment of \$1,200.94. The Clerk-Treasurer and the Town Council are scheduled to formally approve an agreement on May 19, 2025, for repayment of overpaid funds to be complete by December 31, 2025.

Criteria

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

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)

TRASH FEES

Condition and Context

The Town had not established effective internal controls to ensure trash fee collections were in compliance with the Town Ordinances.

The Town Council passed Ordinance 2018-5 "Relating to Trash Removal Rates through July 31, 2021" on October 10, 2018. This ordinance set the rates for trash collection services for the period of August 1, 2018 through July 31, 2021.

CLERK-TREASURER
TOWN OF CAMDEN
AUDIT RESULTS AND COMMENTS
(Continued)

The Town contracts with a vendor for trash collection services. Due to an increase in the contracted amount, the Town increased the fee charged for trash collection services; however, the Town Ordinance for trash collection fees was not updated to reflect increased contracted rates between the vendor and the Town. Based on a sample of 25 customer billings, none of the 25 customers were billed at the approved rate for trash removal services.

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)

CLERK-TREASURER
TOWN OF CAMDEN
EXIT CONFERENCE

The contents of this report were discussed on May 8, 2025, with Jeff Sieber, Clerk-Treasurer, and Andy Robison, Town Council member.



TOWN COUNCIL
TOWN OF CAMDEN

TOWN COUNCIL
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AUDIT RESULT AND COMMENT

TRASH FEES

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TOWN COUNCIL
TOWN OF CAMDEN
EXIT CONFERENCE

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