

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

COMPLIANCE ENGAGEMENT REPORT

OF

TOWN OF CAMPBELLSBURG

WASHINGTON COUNTY, INDIANA

January 1, 2019 to December 31, 2022



FILED
04/15/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Anita Altic	01-01-19 to 12-31-24
President of the Town Council	David Brown	01-01-19 to 12-31-21
	Tim Chastain	01-01-22 to 12-31-22
	David Brown	01-01-23 to 12-31-23
	Tim Chastain	01-01-24 to 12-31-24



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF CAMPBELLSBURG, WASHINGTON COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Town of Campbellsburg (Town), for the period of January 1, 2019 to December 31, 2022. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the Town as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the Town's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Anita Altic, Clerk-Treasurer, and Tim Chastain, President of Town Council, on April 4, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

March 18, 2024

TOWN OF CAMPBELLSBURG
COMMENT

ANNUAL FINANCIAL REPORT - OTHER INFORMATION

Condition and Context

Internal controls were not in place to ensure financial and other information that is required to be entered annually into the Annual Financial Report (AFR) via the Indiana Gateway for Government Units (Gateway) financial reporting system is correct. The grants schedule, and leases and debt information entered into Gateway contained the following errors:

Grants Schedule

Federal grant monies of \$253,259, \$95,361, and \$102,056 for fiscal years 2019, 2021, and 2022, respectively, were not reported.

Leases and Debts

Debt payments were incorrectly classified as lease payments in each year of the audit period.

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](#)."

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. . . ."

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS

TOWN OF CAMPBELLSBURG
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Years Ended December 31, 2019 and 2020

Fund	Cash and	Receipts	Disbursements	Cash and	Receipts	Disbursements	Cash and
	Investments			Investments			Investments
	01-01-19			12-31-19			12-31-20
GENERAL FUND	\$ 90,135	\$ 147,555	\$ 177,008	\$ 60,682	\$ 165,090	\$ 142,971	\$ 82,801
MVH	19,266	12,600	30,397	1,469	11,106	10,868	1,707
LOCAL ROAD & STREET	5,239	5,362	3,465	7,136	5,133	2,447	9,822
MVH RESTRICTED	-	12,590	9,000	3,590	11,103	-	14,693
PARK NONREVERTING	1,922	-	-	1,922	-	-	1,922
LECEP	2,461	-	-	2,461	-	-	2,461
RIVERBOAT/CASINO	9,583	3,465	11,446	1,602	3,465	-	5,067
PARK & RECREATION	27,200	15,559	9,002	33,757	7,810	5,533	36,034
RAINY DAY	26,565	-	20,962	5,603	12,000	-	17,603
EDIT	21,151	12,296	25,216	8,231	12,372	15,579	5,024
CUM CAP IMP - CIG TAX	5,413	1,337	973	5,777	1,268	1,445	5,600
CARES - Grants and Subsidies	-	-	-	-	18,752	18,752	-
LOIT - PUBLIC SAFETY	5,685	11,563	11,489	5,759	22,141	12,097	15,803
COMMUNITY CROSSING GRANT FUND	19,366	337,754	245,207	111,913	-	110,155	1,758
COMMUNITY PLAY PARK	-	600	-	600	16,013	16,323	290
PAYROLL	166	186,433	186,492	107	191,974	192,080	1
SEWAGE OPERATING	65,056	147,887	140,326	72,617	113,327	140,824	45,120
WATER OPERATING	96,298	350,612	334,711	112,199	297,815	298,382	111,632
WATER METER DEPOSIT	36,512	4,550	4,398	36,664	5,339	2,668	39,335
WATER UTL DEPRECIATION	3,583	82	3,665	-	-	-	-
WATER PETTY CASH/CHANGE FUND	50	-	-	50	-	-	50
Totals	<u>\$ 435,651</u>	<u>\$ 1,250,245</u>	<u>\$ 1,213,757</u>	<u>\$ 472,139</u>	<u>\$ 894,708</u>	<u>\$ 970,124</u>	<u>\$ 396,723</u>

TOWN OF CAMPBELLSBURG
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2022

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21	Receipts	Disbursements	Cash and Investments 12-31-22
GENERAL FUND	\$ 82,801	\$ 165,915	\$ 152,043	\$ 96,673	\$ 170,216	\$ 147,896	\$ 118,993
MVH	1,707	12,273	9,112	4,868	11,613	9,359	7,122
LOCAL ROAD & STREET	9,822	5,634	2,232	13,224	5,729	1,978	16,975
MVH RESTRICTED	14,693	12,271	-	26,964	11,613	-	38,577
PARK NONREVERTING	1,922	-	1,683	239	-	-	239
LECEP	2,461	-	-	2,461	-	-	2,461
RIVERBOAT/CASINO	5,067	3,461	3,000	5,528	2,979	-	8,507
PARK & RECREATION	36,034	14,865	11,700	39,199	34,565	46,334	27,430
RAINY DAY	17,603	24,000	-	41,603	32,500	-	74,103
EDIT	5,024	13,838	6,900	11,962	15,757	-	27,719
OPIOID FUNDS-Unrestricted	-	-	-	-	3,077	-	3,077
OPIOID FUNDS-Restricted	-	-	-	-	1,319	-	1,319
CUM CAP IMP - CIG TAX	5,600	1,202	3,000	3,802	960	-	4,762
LOIT - PUBLIC SAFETY	15,803	14,097	10,616	19,284	14,695	25,075	8,904
ARP-Coronavirus LFRGF	-	65,361	40,689	24,672	65,856	-	90,528
COMMUNITY CROSSING GRANT FUND	1,758	-	-	1,758	-	-	1,758
COMMUNITY PLAY PARK	290	1,400	-	1,690	12,826	12,005	2,511
PAYROLL	-	211,796	211,850	(54)	220,961	220,879	28
SEWAGE OPERATING	45,121	148,771	181,102	12,790	110,288	112,947	10,131
WATER OPERATING	111,633	319,208	381,082	49,759	290,695	319,334	21,120
WATER METER DEPOSIT	39,334	6,050	3,504	41,880	4,700	2,410	44,170
WATER PETTY CASH/CHANGE FUND	50	-	-	50	-	-	50
ARP - Water	-	-	-	-	36,200	21,187	15,013
Totals	<u>\$ 396,723</u>	<u>\$ 1,020,142</u>	<u>\$ 1,018,513</u>	<u>\$ 398,352</u>	<u>\$ 1,046,549</u>	<u>\$ 919,404</u>	<u>\$ 525,497</u>