

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

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

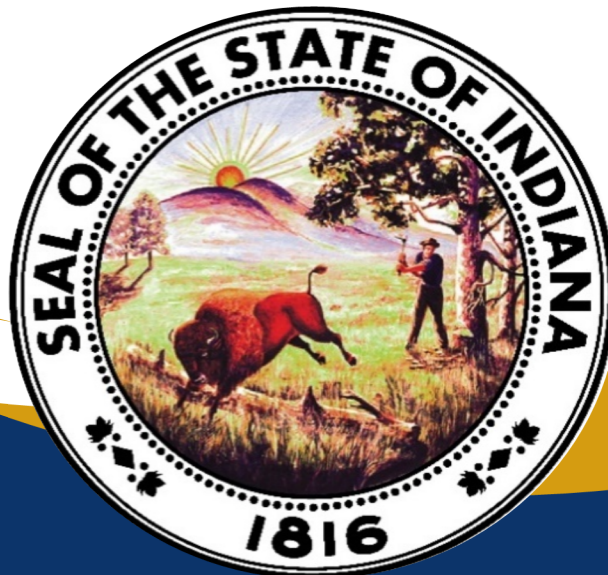
COMPLIANCE EXAMINATION REPORT

OF

TOWN OF HYMERA

SULLIVAN COUNTY, INDIANA

January 1, 2022 to December 31, 2023



**FILED**  
01/16/2025



Paul D. Joyce, CPA  
State Examiner

## INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769  
Telephone: (317) 232-2513  
Fax: (317) 232-4711  
[www.in.gov/sboa](http://www.in.gov/sboa)

January 16, 2025

To: The Officials of the Town of Hymera  
Town of Hymera  
Sullivan County, Indiana

This report is supplemental to the audit report of Town of Hymera (Town), for the period from January 1, 2022 to December 31, 2023. It has been provided as a separate report so that the reader may easily identify any findings that pertain to the Town. It should be read in conjunction with the financial statement audit report of the Town, which provides an opinion on the Town's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Town and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The findings contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the supplemental report of Town of Hymera prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2022 to December 31, 2023. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings in the report on page 3 through 6.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA  
Deputy State Examiner

**COMPLIANCE EXAMINATION OF  
TOWN OF HYMERA**

Sullivan County, Indiana  
January 1, 2022 through December 31, 2023

Town of Hymera  
Sullivan County, Indiana  
January 1, 2022 through December 31, 2023

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TOWN OF HYMERA  
SCHEDULE OF OFFICIALS  
January 1, 2022 through December 31, 2023

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Nicole Hall	01-01-22 to 12-31-23
President of the Town Council	James Enstrom	01-01-22 to 12-31-23

## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of the Town of Hymera

We have examined the Town of Hymera ("Town") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Cities and Towns* during the period January 1, 2022 through December 31, 2023. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Cities and Towns* applicable to the District during the period January 1, 2022 through December 31, 2023, as described in items 2023-001 through 2023-006 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Town complied, in all material respects, with the aforementioned requirements during the period January 1, 2022 through December 31, 2023.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
November 22, 2024

TOWN OF HYMERA  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2022 through December 31, 2023

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**FINDING 2023-001: MISSING GATEWAY UPLOADS**

**Criteria: Criteria:** The Indiana State Board of Accounts (SBOA) Directive 2018-1 states in part, " Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, Districts, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients. The Directive was amended with additional required uploads effective December 2023.

The following files and governmental unit information are required to be uploaded monthly by all units:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes, please see the user guide for more information and examples
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund

The following files and governmental unit information are required to be uploaded annually by all units:

- Year-end investment statements and register of investments
- Excel Data Capture/ Data Dump
- Detail of Receipts by fund and account
- Detail of Disbursements by fund and account
- Current year Salary Ordinance (or Schedule) and Amendments (except Schools)
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund
- Accounts Payable/ Accounts Receivable Schedule support
- Direct Federal Grant Agreements/Award Letters and Amendments initiated during the year
- Agreements for Subawards made to Subrecipients for all Federal Grants initiated during the year
- Personnel Policy (to be uploaded in 2023 and in future years if updated)

A similar comment appeared in the prior Report B60255.

**Condition:** During testing, we noted the Town did not upload all required monthly uploads. The missed uploads include board minutes, bank reconciliations and fund ledger uploads for 2022 and 2023. The Town also did not upload any of the required annual uploads noted above for fiscal year 2022 and 2023.

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TOWN OF HYMERA  
 SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
 January 1, 2022 through December 31, 2023

**FINDING 2023-002: ANNUAL FINANCIAL REPORT - OTHER INFORMATION**

**Criteria:** The Annual Financial Report (AFR) required under IC 5-11-1-4(a) shall be filed with the state examiner not later than sixty (60) days after the close of each fiscal year. (Accounting and Uniform Guidelines Compliance Manual for Cities and Towns, Chapter 1)

**Condition:** Financial and other information are required to be entered annually into the AFR via the Indiana Gateway for Government Units (Gateway) financial reporting system. During our examination procedures, we noted the following errors:

*Leases and debt:*

The Town did not include all forms of outstanding debt on the initial schedule reported on the AFR. The Town had also incorrectly reported the outstanding principal balance and the principal due within one year.

The initial submission from the Town was:

<u>Description of Debt</u>		Ending	Principal Due
<u>Type</u>	<u>Purpose</u>	Principal	Within One
		<u>Balance</u>	<u>Year</u>
Wastewater Utility:			
Revenue bonds	State revolving fund loan	\$ 523,051	\$ 523,051
Totals		<u>\$ 523,051</u>	<u>\$ 523,051</u>

The schedule has been updated to correctly report all forms out outstanding debt and the correct principal balance:

<u>Description of Debt</u>		Ending	Principal Due
<u>Type</u>	<u>Purpose</u>	Principal	Within One
		<u>Balance</u>	<u>Year</u>
Wastewater Utility:			
State Revolving Loan	Wastewater treatment plant project	\$ 340,000	\$ 82,000
Sewage Works Revenue Bonds of 2006, Series B	Extend maturity of 2006 bonds	433,000	57,000
Sewage Works Revenue Bonds of 2019	Improvements of sewage works	<u>172,500</u>	<u>1,000</u>
Totals		<u>\$ 945,500</u>	<u>\$ 140,000</u>

*Capital assets:*

The Town also overreported capital assets on the AFR. The AFR had a reported value of \$3,515,980 on December 31, 2023, while the Town's capital asset detail showed \$1,568,000 on the same date. The Town has valued the buildings and land using insurance values, which is not reflected in the capital asset listing. The Town believes the amount reflected in the AFR is a more accurate assessment of the capital asset balance at December 31, 2023.

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TOWN OF HYMERA  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2022 through December 31, 2023

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**FINDING 2023-003: COMPENSATION AND BENEFITS**

**Criteria:** Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual for Cities and Towns states in part, *“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.”*

**Condition:** During testing of payroll expenditures, we noted that 2 instances (same employee), in a sample of 10, where the employee’s pay did not match their updated board approved salary ordinance during 2022 and 2023. The error was not noticed and corrected until 2024.

**FINDING 2023-004: INTERNAL CONTROLS – MINIMUM STANDARDS**

**Criteria:** Indiana Code 5-11-1-27(h) states in part, *“After June 30, 2016, the fiscal officer of a political subdivision shall certify in writing that: (1) the minimum internal control standards and procedures defined under subsection (e) have been adopted by the political subdivision. . . .”*

The same comment appeared in the prior Report B60255.

**Condition:** The Town adopted an internal control policy in 2018, but it did not meet the acceptable minimum internal control standards as put forth by the Indiana State Board of Accounts.

**FINDING 2023-005: CAPITAL ASSETS**

**Criteria:** Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual for Cities and Towns states in part, *“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.”*

A similar comment appeared in the prior Report B60255.

**Condition:** During testing of capital assets, we noted the Town did have a written policy concerning capital assets and the threshold at which an item is considered a capital asset, however, we noted the Town’s capital assets listing did not have all of the required information. We also noted that there is no proof of a physical inventory being taken at least every two years.

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TOWN OF HYMERA  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2022 through December 31, 2023

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**FINDING 2023-006: MOTOR VEHICLE HIGHWAY FUNDS**

**Criteria:** On the chart of accounts, the MVH Fund and MVH Restricted sub-fund shall be shown as follows: “...*Cities and Towns Fund 201 MVH Fund 203 MVH Restricted. Together, MVH and MVH Restricted shall constitute the total MVH Fund. MVH and MVH Restricted will be shown separately on the Annual Financial Report...*” (State Examiner Directive 2018-2). “*The political subdivision posted, at the time of the receipt of the distribution from the State MVH Account, fifty percent (50%) of the distribution to MVH Restricted*” (State Examiner Directive 2018-2). Indiana Code 8-14-1-5(c) states: “*For funds distributed to a city or town from the motor vehicle highway account, the city or town shall use at least fifty percent (50%) of the money for the construction, reconstruction, and preservation of the county’s highways.*”

The same finding appeared in the prior Report B60255.

**Condition:** The Town had the Motor Vehicle Highway (MVH) Restricted fund as required. However, the Town did not allocate or deposit at least 50 percent of the distribution from the State Motor Vehicle Highway Account at the time of the receipt into the MVH Restricted fund for May 2022, February 2023, and May 2023.

TOWN OF HYMERA  
EXIT CONFERENCE  
January 1, 2022 through December 31, 2023

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The contents of this report were discussed on November 22, 2024, with Nicole Hall, Clerk Treasurer, and James Enstrom, President of the Town Council.