

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

EXAMINATION REPORT
OF
TOWN OF MOORES HILL
DEARBORN COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
12/27/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Dana Jewett (Vacant) Debbie McAtee Renee Hall	01-01-04 to 12-31-05 01-01-06 to 01-19-06 01-20-06 to 04-13-06 04-14-06 to 12-31-07
President of the Council	Willie Woolums	01-01-06 to 12-31-07
Superintendent of Wastewater Utilities	William Lovins	01-01-06 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF MOORES HILL, DEARBORN COUNTY, INDIANA

We were engaged to examine the financial information of the Town of Moores Hill (Town), for the period January 1, 2005 to December 31, 2006. The Town's management is responsible for the financial information presented herein.

The Town's financial records did not provide information to report on the cash and investment balances and the financial activity of the individual Town funds and to determine compliance with budget laws of the State of Indiana. Reconcilements prepared by management between record balances of cash and investments to depository balances were not presented for examination. Supporting documentation was not available for a significant portion of the Town's disbursements.

Since Town officials did not maintain adequate financial records, as discussed in the preceding paragraph, the scope of our examination was not sufficient to enable us to express, and we do not express, an opinion on the financial information.

However, we did examine available records to the extent possible for compliance with State statutes and the Accounting and uniform Compliance Guidelines Manual for Cities and Towns published by the State Board of Accounts. The results of this examination are stated in the Examination Results and Comments.

STATE BOARD OF ACCOUNTS

November 21, 2007

TOWN OF MOORES HILL
SCHEDULE OF CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES
AS OF DECEMBER 31, 2006

	<u>Cash and Investments 12-31-06</u>
Governmental funds:	
Town	\$ 48,927
Riverboat	330,645
Proprietary funds:	
Wastewater Utility - operating	<u>6,161</u>
Total	<u>\$ 385,733</u>

The accompanying notes are an integral part of the financial information.

TOWN OF MOORES HILL
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, highways and streets, public improvements, general administrative services, and wastewater.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS (Applies to Clerk-Treasurer)

The following deficiencies related to record keeping were present during 2005 and 2006:

- (1) The annual financial report showing the Town's financial activity and cash and investment balances for the year 2005 was incomplete.

No annual financial report for 2006 was presented for examination.

Indiana Code 5-3-1-3(a) states in part: "Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town . . ."

- (2) The Ledger of Receipts, Disbursements, and Balances (Form 208) was not presented for examination for the year 2005.

Financial transactions were not recorded for individual governmental funds on the Ledger of Receipts, Disbursements, and Balances (Form 208) for the year 2006. All financial transactions for governmental funds were posted by bank account and not by individual fund.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

- (3) The Simplified Cash Journal-Wastewater Utility Class C (Form 323), prescribed to record the financial activities of the Wastewater Utility, was not presented for examination for the year 2005 and was not properly posted for the year 2006. Disbursements for the year 2006 were not posted to expense categories.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

- (4) Reconciliation of record balances of cash and investments to depository balances were not presented for examination for the period January 2005 through November 2006. A December 2006 reconciliation was presented, however, due to incorrect postings and adjustments made prior to December, the reconciliation could not be verified.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

- (5) The Ledger of Appropriations, Encumbrances, Disbursements and Balances (Form 209), prescribed to monitor compliance with budget orders was not presented for our examination.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (6) We found instances when the month end cash balance reported on Form 208 did not agree with the next month's beginning cash balance. Renee Hall, Clerk-Treasurer, stated the differences were related to adjustments made to correct errors. Renee Hall stated she could not recall the reason for the adjustments because she did not retain her reconcilements.

Indiana Code 5-15-6-3(f) concerning destruction of public records, states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Due to the above condition, the Town was unable to present a financial schedule reporting receipts and disbursements of Town funds.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in Report B26360.

DISBURSEMENT PROCEDURES NOT FOLLOWED (Applies to Clerk-Treasurer)

The following deficiencies were identified regarding the processing of disbursement to vendors during the year 2006:

- (1) Supporting documentation in the form of an itemized claim or invoice was not presented for examination for 42% of claims we selected to review representing 62% of the dollar value of disbursements we reviewed.
- (2) Town Council approval of disbursements was not documented on 100% of disbursements we reviewed.
- (3) Certification that goods or services purchased were received was not documented for 92% of disbursements we reviewed.
- (4) The Clerk-Treasurer's certification that the claims were audited and that the invoice or bill is true and correct was not documented on 50% of the disbursements we reviewed.

The above deficiencies were also present in the year 2005.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services."

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in Report B26360.

PAYROLL RECORDS (Applies to Clerk-Treasurer)

The following payroll records for the year 2005 were either not used or were not presented for our examination:

- (1) Payroll Schedule and Voucher (Form 99), prescribed to document time worked, leave taken, certification of department head, and board approval, was not used during the examination period.
- (2) Employee Earnings Record (Form 99B), prescribed to schedule payroll payments for individual employees to assist in preparing Internal Revenue Service W-2 forms and to monitor compliance with the salary ordinance, was not used.
- (3) Time sheets were not organized in any particular order and were not always dated.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in Report B26360.

UNDOCUMENTED TRANSFERS OF FUNDS (Applies to Clerk-Treasurer)

There were transfers of funds totaling \$159,893 made from the Riverboat Fund to the Wastewater Operating Fund in the year 2005. A \$5,000 transfer of funds was made in the year 2006. No documentation was presented for examination documenting the purpose of the transfers. No ordinance was approved by the Town Council or an accounts payable voucher approved by the Board was presented for examination authorizing the transfer of funds.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Payments or transfers which are not authorized by statute, ordinance, resolution or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROPRIATION OF RIVERBOAT FUND (Applies to Clerk-Treasurer)

Expenditures were made from the Riverboat Fund during 2005 and 2006 without obtaining an appropriation approved by the Town Council. The amount of expenditures paid without an appropriation could not be determined due to the condition of the records. (See comment titled "Condition of Records")

Indiana Code 36-5-4-2 states: "Unless a statute provides otherwise, town monies may be disbursed only after an appropriation made by ordinance of the town legislative body and recorded in a book kept for that purpose by the legislative body. Each appropriation must be made from the fund against which the expense arose."

A similar comment was reported in Report B26360.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

SALARY OVERPAYMENTS FOR THE YEAR 2005 (Applies to Clerk-Treasurer)

The Clerk-Treasurer is responsible for preparing payroll checks and monitoring compliance with the Town's salary ordinance. Dana Jewett, former Clerk-Treasurer, was paid \$1,850 in excess of the salary ordinance for the year 2005 as shown in the following schedule:

	Town Funds	Wastewater Utility	Totals
Approved salary	\$ 5,400	\$ 5,700	\$ 11,100
Amount paid	6,300	6,650	12,950
 Totals	\$ 900	\$ 950	\$ 1,850

Dana Jewett has refunded salary overpayments at the request of the State Board of Accounts as reported in the following prior reports:

Report Number	Year		Amount
B20575	2000	\$	635.00
B20575	2001		625.00
B26360	2002		340.00
B26360	2003		2,450.00
B26360	2004		2,725.00

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Upon our request, the Clerk-Treasurer repaid a total of \$1,850 on November 6, 2007 and November 19, 2007. (See Summary, page 19)

PRESIDENT OF THE TOWN COUNCIL COMPENSATION (Applies to Clerk-Treasurer)

The following were deficiencies related to the compensation paid to the President of the Town Council:

- (1) The salary ordinance for the year 2007 approved the compensation for the President of the Town Council at the rate of \$470 per month. A review of salary payments to Willie Woolums, President of the Town Council, showed his 2007 salary was paid in advance as shown in the following schedule:

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Date Paid	Amount	Amount Earned	Advance Payment
12-06-06	\$ 775.75	\$ -	\$ 775.75
12-19-06	415.25	-	415.25
01-30-07	840.00	470.00	370.00
02-15-07	1,410.00	-	1,410.00
02-28-07	<u>840.00</u>	<u>470.00</u>	<u>370.00</u>
Totals	<u>\$ 4,281.00</u>	<u>\$ 940.00</u>	<u>\$ 3,341.00</u>

Town records did not show any additional payments to Mr. Woolums between March 1, 2007 and October 31, 2007.

Indiana Code 5-7-3-1(a) states in part: "Public officers may not draw or receive their salaries in advance".

- (2) The Clerk-Treasurer discontinued processing salary payments to Willie Woolums in December of 2006 through the normal payroll process. Salary payments to Willie Woolums starting in December of 2006 were processed like other vendors claims. This method of processing salary payments resulted in the Town not withholding and remitting payroll taxes.

Salary payments to Willie Woolums totaling \$1661 were not reported on the Internal Revenue Service form W-2 for the year 2006.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PENALTIES AND INTEREST PAID (Applies to Clerk-Treasurer)

Penalties and interest were paid in the year 2005 for late reporting and remittance of payroll taxes. The untimely reporting and remittances occurred between January 1, 2001 and December 31, 2004, when Dana Jewett was Clerk-Treasurer. The following information shows the amount of documented penalties interest that were paid and instances of when documentation was not available to determine if penalties and interest were paid:

- (1) We reported in the prior Report B26360 that penalties and interest totaling \$8,635 were assessed by the Internal Revenue Service for the years 2001, 2002, 2003, and 2004, of which \$3,181 had been paid as of December 31, 2004. The balance of penalties and interest of \$5,454 was paid on January 28, 2005. The penalties and interest were assessed because remittances of federal taxes were not made timely.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Two additional checks were written to the Internal Revenue Service on January 16, 2007, and June 25, 2007, for \$130.52 and \$2,788.37, respectively. The payments were for the tax period of December 2004. No documentation was presented for examination showing whether the amounts paid included any penalties and interest.

- (2) There was only one remittance of payroll taxes to the Indiana Department of Revenue from November of the year 2002 through December of the year 2004. Withholding Tax Payment Vouchers (Form WH-1) for the period November 2002 through December 2004 were not prepared until June 2005.

Payments totaling \$18,687.55 were made to the Indiana Department of Revenue in the year 2005. No documentation was presented for examination showing whether the amount paid included any penalties and interest.

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit. Additionally officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

EMPLOYEE HEALTH INSURANCE (Applies to Town Council)

The Town began providing Health Insurance to the Superintendent of the Wastewater Utility, the Street Superintendent, and to a Wastewater Utility employee in June of 2006. The premiums paid were \$1,324 per month from Wastewater funds and \$1,156 per month from Town funds. No deductions were made from the employee's salaries to reimburse the Town. The total health insurance premiums paid in 2006 for these three employees was approximately \$4,600.

The Town's personnel policy states in part:

"Health, Dental and Life Insurance premiums will not be paid by the Town of Moores Hill on any employees. It will be the responsibility of the employee to acquire their own insurance. If the employee requests that the Town of Moores Hill obtain the insurance on the employee, then the Town of Moores Hill will deduct the entire premium from the employee's salary."

Willie Woolums, President of the Town Council, stated the Town Council approved the payment of employee health insurance premiums and that the Town's personnel policy had not been formally updated.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

NO UTILITY CUSTOMER PAYMENT HISTORY (Applies to Clerk-Treasurer)

The Consumer's Ledger-Municipal Sewage Utility (Form 324) for the year 2005, prescribed to record billing and payment activity (history) for individual Wastewater Utility's customer accounts, were not presented for examination for any customers.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

EMPLOYEE SERVICE RECORDS (Applies to All Departments)

Neither the Clerk-Treasurer nor the Department heads used the Employee's Service Record (Form 99A), prescribed to monitor compliance with Town Council's compensated absences policy and to prepare the Payroll Schedule and Voucher (Form 99).

This form must be kept by each office or department for each employee in order to properly prepare "Payroll Schedule and Voucher, General Form No. 99." It records the hours or days worked, sick leave, vacation and days lost. It may also be used to comply with the requirements of IC 5-11-9-4 regarding recording hours worked each day by an employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 4)

A similar comment was reported in Report B26360.

NO ACCOUNTS RECEIVABLE CONTROL (Applies to Clerk-Treasurer)

The Clerk-Treasurer did not maintain an accounts receivable control account which is a summary account to be used to reconcile to the individual accounts receivable accounts recorded in the Consumer's Ledger on a monthly basis. General Ledger Sheet (General Form 315) has been prescribed for use as an accounts receivable control account.

When utility records are kept on a cash or single-entry basis, a separate control account should be carried on General Ledger Sheet, General Form No. 315, in the front of the Consumer's Ledger. This account will be debited with the total monthly billing to all customers for utility services including penalties and sales tax. This account will be credited with the total accounts receivable collections, penalties and sales tax shown by the Register of Daily Cash Receipts - Consumers. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 4)

A similar comment was reported in Report B26360.

NO CAPITAL ASSET RECORDS (Applies to Clerk-Treasurer)

The Town does not maintain sufficient detailed records of its capital assets for its governmental activities or for the Wastewater Utility. In addition, no capitalization policy has been adopted by the Town.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The governing body should establish a capitalization policy that sets a dollar amount as a threshold to be used in determining which items will be recorded. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

NO INVESTMENT REGISTER (Applies to Clerk-Treasurer)

The Town does not use a Register of Investments (Form 350) to monitor investment activity.

The Investment Register, Form 350, should be used for keeping a record of all investments purchased by the political subdivision. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

INTEREST ON INVESTMENTS (Applies to Clerk-Treasurer)

All interest earned on a certificate of deposit was automatically added to the principal and was not recorded in the records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment was reported in Report B26360.

DONATIONS (Applies to Town Council)

The Town donated \$1,000 to local churches from the General Fund during the year 2006.

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CHRISTMAS GIFT CARDS (Applies to Town Council)

Approximately \$200 to \$300 in gift cards were purchased during year 2005 and the year 2006 which were given to employees for Christmas. Expenditures for gifts are considered personal expenditures of the employee unless authorized by statute or a home rule ordinance.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Indiana Code 36-1-3-6(b) states in part: "If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must either:

- (1) if the unit is a county or municipality, adopt an ordinance prescribing a specific manner for exercising the power; . . ."

BOARD MINUTES (Applies to Clerk-Treasurer)

The board minutes presented for examination for most meetings did not indicate which Council members were present or absent. According to payroll records different members of the Council served as president during the period examined, but the appointment of the 2006 and 2007 President of the Council was not recorded in the board minutes. Other items, such as approval of the budget, were also not included in the Council minutes.

Indiana Code 5-14-1.5-4(b) states:

As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7."

RECEIPTS AND DEPOSITS (Applies to Clerk-Treasurer)

We found the following deficiencies regarding the receipt and deposit of monies during the year 2005:

- (1) No receipts were written for monies received. The risk of funds being misplaced, stolen, or not being recorded is increased when receipts are not prepared.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

- (2) Monies were not deposited by the next business day in 84% of the instances that we reviewed.

TOWN OF MOORES HILL
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

A similar comment was reported in Report B26360.

DELINQUENT WASTEWATER ACCOUNTS (Applies to Clerk-Treasurer)

Delinquent Wastewater accounts were not assessed a 10% penalty as required by statute.

Indiana Code 36-9-23-31 states in part: "If fees assessed . . . are not paid within the time fixed by the municipal legislative body, they are delinquent. A penalty of ten percent (10%) of the amount of the fees attaches to the delinquent fees."

A similar comment was reported in Report B26360.

TOWN OF MOORES HILL
EXIT CONFERENCE

The contents of this report were discussed on November 21, 2007, with Renee Hall, Clerk-Treasurer; and Willie Woolums, President of the Council. The officials concurred with our findings.

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TOWN OF MOORES HILL
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Dana Jewett, former Clerk-Treasurer:			
Salary Overpayments For The Year 2005, page 10	\$ 1,850	\$	\$
Refunded, November 6, 2007		950	900
Refunded, November 19, 2007		<u>900</u>	<u>-</u>
Totals	<u>\$ 1,850</u>	<u>\$ 1,850</u>	<u>\$ -</u>