

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF MONROE

ADAMS COUNTY, INDIANA

January 1, 2011 to December 31, 2014



FILED
02/24/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Rachel A. Burkhart	01-01-11 to 12-31-15
President of the Town Council	C. Allen Lehman	01-01-11 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF MONROE, ADAMS COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Monroe (Town), for the period from January 1, 2011 to December 31, 2014. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion 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 Examination 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 Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

November 16, 2015

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TOWN COUNCIL
TOWN OF MONROE

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EXAMINATION RESULTS AND COMMENTS

ORDINANCES AND RESOLUTIONS

The following exceptions were noted in regard to ordinances or resolutions:

- a. The Town had an ordinance concerning utility rates. However, we noted that the Town did not comply with its existing ordinance because water usage of 4,000 was under-billed each month by \$2.00. For 2014 that is an estimated \$1,036 in lost revenues.
- b. Some wastewater accounts were flat-billed at \$106.20 per month which is not a rate specified in the ordinance.
- c. No shutoff ordinance existed. Per the billing system over \$1,000,000 is owed to the utilities, due in part to the lack of a shutoff ordinance and thus little incentive to pay

Instances were noted where penalties on delinquent wastewater bills were not properly calculated. A similar comment appeared in prior Report B39869.

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)

CONTRACTS

Payments totaling \$18,086, \$18,208, \$17,927, and \$93,334 were made for expenses of the Monroe Volunteer Fire Department in the years 2011, 2012, 2013, and 2014 respectively. The disbursements were for insurance, supplies and firemen allowances. In addition, in 2014, the old town hall was sold and the proceeds of \$74,564 were remitted to the Monroe Volunteer Fire Department. A contract was not written to support these disbursements.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

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EXIT CONFERENCE

The contents of this report were discussed on November 16, 2015, with C. Allen Lehman, President of the Town Council and Debra Giessler, Town Council member.