

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF WILLIAMSPORT

WARREN COUNTY, INDIANA

January 1, 2011 to December 31, 2014



FILED
03/09/2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Clerk-Treasurer:	
Examination Results and Comments:	
Penalties, Interest, and Other Charges.....	6
Ordinances and Resolutions.....	6
Prescribed Forms.....	7
Supporting Documentation	7
Exit Conference	8
Town Council:	
Examination Results and Comments:	
Travel Policy.....	10
Salary Ordinance	10
Exit Conference	11
Summary of Charges	12

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	William H. Lucas	01-01-08 to 12-31-15
President of the Town Council	Albert Scott Mathis	01-01-11 to 12-31-11
	Richard S. Briles	01-01-12 to 12-31-12
	Dr. Jon B. Inman	01-01-13 to 12-31-13
	Albert Scott Mathis	01-01-14 to 12-31-14
	Richard S. Briles	01-01-15 to 06-01-15
	David L. Banta	06-02-15 to 12-31-15



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF THE TOWN OF WILLIAMSPORT, WARREN COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Williamsport (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 the Examination Results and Comments, incorporated within this report, was not verified for accuracy.

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

September 17, 2015

(This page intentionally left blank.)

CLERK-TREASURER
TOWN OF WILLIAMSPORT

CLERK-TREASURER
TOWN OF WILLIAMSPORT
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

During our examination period and up through September 15, 2015, the Town paid penalties to the Indiana Department of Revenue in the amount of \$1,850 for late payment of Utility Receipt Tax. We requested William H. Lucas, Clerk-Treasurer, to reimburse the Town \$1,850 for penalties paid to the Indiana Department of Revenue. William H. Lucas, Clerk-Treasurer, reimbursed \$1,850 to the Town on September 15, 2015. (See Summary of Charges, page 12)

During our examination period and up through September 15, 2015, the Town paid penalties to British Petroleum (BP) in the amount of \$1,220.16 for late payment on various fuel purchases. We requested William H. Lucas, Clerk-Treasurer, to reimburse the Town \$1,220.16 for penalties paid to BP. BP refunded the Town \$1,220.16 on September 15, 2015. (See Summary of Charges, page 12)

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)

ORDINANCES AND RESOLUTIONS

The Town has an ordinance concerning utility bills that are not paid by the 15th of the month. The ordinance states that late fees will be assessed on the 16th day of the month. During our review of customer billings, it was noted that of the eight utility bills that qualified for late fees, two of those bills were not properly assessed the late fee.

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)

CLERK-TREASURER
TOWN OF WILLIAMSPORT
EXAMINATION RESULTS AND COMMENTS
(Continued)

PRESCRIBED FORMS

The Indiana State Board of Accounts is responsible for prescribing and/or approving the accounting forms and records for all governmental units. The Town did not use the prescribed Mileage Claim (General Form No. 101) for mileage reimbursement.

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)

SUPPORTING DOCUMENTATION

A gas station invoice reviewed did not include all of the individual charge receipts. There were thirty-nine charges for the Town for fuel for the period of October 20, 2014 through November 19, 2014. Of those charges, eleven did not have a detailed charge receipt. The invoice states which day the fuel was charged and the quantity but not by whom the fuel was charged.

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)

CLERK-TREASURER
TOWN OF WILLIAMSPORT
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2015, with William H. Lucas, Clerk-Treasurer; Ruann Marks, Deputy Clerk-Treasurer; and David L. Banta, President of the Town Council.

TOWN COUNCIL
TOWN OF WILLIAMSPORT

TOWN COUNCIL
TOWN OF WILLIAMSPORT
EXAMINATION RESULTS AND COMMENTS

TRAVEL POLICY

A written travel policy was not presented for examination.

Each governmental unit should adopt a written travel policy in conformity with applicable statutes. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

SALARY ORDINANCE

The Town did not have a salary ordinance in place during our examination period but included the approved salaries in the minutes. The minutes did not include the funds from which each position should be paid.

The Town Council approved several payments to a Town employee and the Deputy Clerk-Treasurer that were not included in the approved salaries in the minutes. The Town employee was paid \$2,160 during the examination period for the use of their personal cell phone. The Deputy Clerk-Treasurer was paid \$7,761.93 during the examination period for the purchase of supplemental insurance.

All compensation and benefits paid to officials and employees must be included in the salary ordinance adopted by the legislative body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements.

Payments for services provided by an organization should go directly to the organization and not to an individual employee of the organization. All payments for services should be supported by a written contract. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN COUNCIL
TOWN OF WILLIAMSPORT
EXIT CONFERENCE

The contents of this report were discussed on September 17, 2015, with William H. Lucas, Clerk-Treasurer; Ruann Marks, Deputy Clerk-Treasurer; and David L. Banta, President of the Town Council.

TOWN OF WILLIAMSPORT
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
William H. Lucas, Clerk-Treasurer:			
Penalties, Interest, and Other Charges, page 6	\$ 1,850.00	\$	\$
Reimbursed by William H. Lucas, Clerk-Treasurer			
Receipt No. 1673, September 15, 2015		1,850.00	-
Penalties, Interest, and Other Charges, page 6	1,220.16		
Reimbursed by British British Petroleum			
Receipt No. 1674, September 15, 2015	<u> </u>	<u>1,220.16</u>	<u> </u> -
Totals	<u>\$ 3,070.16</u>	<u>\$ 3,070.16</u>	<u>\$ </u> -