

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF WHITELAND

JOHNSON COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
06/26/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Michelle Richards Debra L. Hendrickson	01-01-12 to 12-31-15 01-01-16 to 12-31-19
President of the Town Council	Robert Zehr Kent Beeson	01-01-12 to 12-31-15 01-01-16 to 12-31-17
Superintendent of Water Utility	Randy Weathers Jason Clayman Cody Brown Jeremy Altenhoff (Vacant)	01-01-12 to 02-07-14 02-08-14 to 06-26-15 06-27-15 to 01-04-16 01-05-16 to 08-03-16 08-04-16 to 12-31-17
Superintendent of Wastewater Utility	Russell Snyder Steven Burden	01-01-12 to 12-31-15 01-01-16 to 12-31-17
Superintendent of Storm Water Utility	Dennis Capozzi Norm Gabehart	01-01-12 to 12-31-14 01-01-15 to 12-31-17
Town Manager	Dennis Capozzi Norm Gabehart	01-01-12 to 12-31-14 01-01-15 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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TO: THE OFFICIALS OF THE TOWN OF WHITELAND, JOHNSON COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Whiteland (Town), for the period from January 1, 2012 to December 31, 2016. 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 Result and Comment contained herein describes the identified reportable instance 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 Result and Comment, incorporated within this report, was not verified for accuracy.

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

April 10, 2017

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CLERK-TREASURER
TOWN OF WHITELAND

CLERK-TREASURER
TOWN OF WHITELAND
EXAMINATION RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The financial statements presented for examination included the following funds with overdrawn cash balances at December 31, 2012, 2013, 2014, 2015, and 2016:

Fund Name	Years	Amount Overdrawn
GENERAL FUND	2012	\$ 53,354
SEWER UTILITY OPERATING	2012	10,456
TRASH & GARBAGE PICKUP RE	2012	2,492
SEWER UTILITY OPERATING	2013	125,038
TRASH & GARBAGE PICKUP RE	2013	672
SEWER UTILITY OPERATING	2014	12,615
2014 GEN BOND ANT. NOTE	2015	179,242
2014 GEN BOND ANT. NOTE	2016	141,185

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)



TOWN OF WHITELAND

TOWN ADMINISTRATION · NORM GABEHART, TOWN MANAGER

549 MAIN STREET · WHITELAND, INDIANA 46184 · (317) 535-5531 · FAX (317) 535-8724

www.townofwhiteland.com

April 19, 2017

State Board of Accounts
302 W Washington St, Room E 418
Indianapolis IN 46204-2765

OFFICIAL RESPONSE

Below, please find the official response from the Town of Whiteland regarding findings resulting from the most recent Indiana State Board of Accounts audit.

General Fund 2012: The amount overdrawn in 2012 (\$53,356.00) was due to a State Budget Reduction resulting from insufficient funds for the purpose of supporting the proposed budget in that fiscal year. The reduction was not recognized and addressed by administration prior to overspending. Staff and administration have been educated regarding the budget reduction implications and have subsequently addressed reductions accordingly.

Sewer Utility Operating 2012, 2013, & 2016: Revenues and funds were not sufficient to support the budget obligations. Budget reductions have been imposed and a sewer tracker financial plan has been implemented. The current balance of the Sewer Operating Fund (March 2017) is \$348,954.28.

Trash & Garbage Pickup 2012, 2013: The Town's trash rate for 2012 and 2013 was not sufficient to support the cost of the contract combined with delinquent customer payments. Rate increases as well as collection practices have been imposed to remedy the situation.

2014 Bond Anticipation Note - 2015 & 2016: This is a balance of a short term note (in general terms loan). The Bond Anticipation Note is used to finance public works projects, specifically the roundabout construction at the intersection of Graham Road and E Main Street (Whiteland Road). The project was funded thru the Metropolitan Planning Organization which requires a 20% local match for federal funding. The BAN was approved by the Town Council to issue a maximum of \$305,000.00 in debt obligation.

Sincerely,

Norm Gabehart
Town Manager

CLERK-TREASURER
TOWN OF WHITELAND
EXIT CONFERENCE

The contents of this report were discussed on April 10, 2017, with Debra L. Hendrickson, Clerk-Treasurer; Kent Beeson, President of the Town Council; and Norm Gabehart, Town Manager.

The contents of this report were discussed on April 10, 2017, via phone, with Michelle Richards, former Clerk-Treasurer.