

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF DALEVILLE

DELAWARE COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
01/17/2018

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Amy Roberts	01-01-12 to 12-31-19
President of the Town Council	Tom Roberts	01-01-12 to 12-31-17



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF DALEVILLE, DELAWARE COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Daleville (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 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

October 31, 2017

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CLERK-TREASURER
TOWN OF DALEVILLE

CLERK-TREASURER
TOWN OF DALEVILLE
EXAMINATION RESULTS AND COMMENTS

CUSTOMER DEPOSIT REGISTER

The same comment also appeared in prior Reports B33061, B38049, and B41169.

The detailed Customer Deposit Register did not reconcile with the Water Utility Meter Deposit fund recorded on the fund ledger because deposits applied to customer accounts were entered as an adjustment instead of as a cash transaction and the money was not transferred to the operating fund. It was also noted during the review of the Customer Deposit Register that some refunded meter deposits were not shown in the Meter Deposit Register provided for examination.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

FUND SOURCES AND USES

The Cum Cap Development fund (CCD) paid the following expenses:

- In 2013, part-time maintenance help in the amount of \$4,916.
- In 2014, part-time and summer maintenance help in the amount of \$6,058.
- In 2015, part-time maintenance help in the amount of \$7,550.
- In 2016, police patrolman's salary in the amount of \$6,034.

The Town Council passed Ordinance 2012-09 on July 9, 2012, which allowed CCD funds to be used for the purposes allowed and set forth in IC 36-9-15.5. The ordinance did not list which of the possible uses of the fund set out in IC 36-9-15.5-2 were permitted.

There are fifteen (15) possible capital project type of uses of the fund which are set out in IC 36-9-15.5-2. The ordinance establishing the fund should list which one(s) of the possible uses are permitted. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 4)

Sources and uses of funds must be limited to those authorized by the enabling law, ordinance/ resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

Town of Daleville

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Amy Roberts, Clerk-Treasurer
Trina Morgan, Deputy Clerk

November 6, 2017

Thank you for the opportunity to respond to the audit report that covers a five year period from January 1, 2012 through December 31, 2016.

Meter Deposit Fund –

We concur that the Meter Deposit Fund was not in balance as of December 31, 2016. However, it is as of the current date and will be part of our monthly reconciling procedure for the future. The Fund actually had an excess amount in it that had to be transferred to the Water Operating Fund. This item has been resolved.

Community Capital Development Fund –

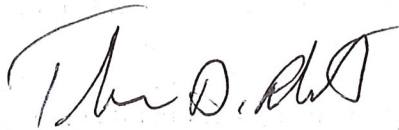
We disagree that the amount spent from the Fund were “inappropriate” as an ordinance was in place that noted the proper Indiana Code that allows an entity to spend the funds for any municipal purpose. Apparently, there was an opinion expressed by the State Board of Accounts that instructed governmental entities to include specific IC references in their ordinance. However, the training and sample ordinance provided was followed appropriately.

We will amend our ordinance to include all the noted IC references to technically comply with the SBA request which was our original intention.

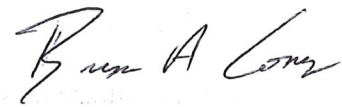
Sincerely,



Amy Roberts, IAMC
Clerk-Treasurer
Town of Daleville



Thomas D. Roberts
Council President
Town of Daleville



Bryce Conyers
Council Member
Town of Daleville

CLERK-TREASURER
TOWN OF DALEVILLE
EXIT CONFERENCE

The contents of this report were discussed on October 31, 2017, with Amy Roberts, Clerk-Treasurer; Tom Roberts, President of the Town Council; and Bryce Conyers, Town Council member.