

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF SELLERSBURG

CLARK COUNTY, INDIANA

January 1, 2012 to December 31, 2016



FILED
06/04/2018

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|-------------------------------|----------------------|----------------------|
| Clerk-Treasurer | David L. Kinder | 01-01-12 to 07-20-15 |
| | (Vacant) | 07-21-15 to 08-03-15 |
| | Barbara Haas | 08-04-15 to 12-31-15 |
| | Michelle D. Miller | 01-01-16 to 12-31-19 |
| President of the Town Council | Paul J. Rhodes | 01-01-12 to 12-31-18 |
| Director of Municipal Works | Kenneth J. Alexander | 01-01-12 to 09-05-17 |
| | (Vacant) | 09-06-17 to 01-21-18 |
| | Timothy E. Parmenter | 01-22-18 to 12-31-18 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF SELLERSBURG, CLARK COUNTY, INDIANA

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

January 31, 2018

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TOWN COUNCIL
TOWN OF SELLERSBURG

TOWN COUNCIL
TOWN OF SELLERSBURG
EXAMINATION RESULTS AND COMMENTS

TOWN COUNCIL COMPENSATION ERRORS

Increase in Compensation for Year Fixed for 2016

On February 22, 2016, Ordinance No. 2016-002 was passed amending Ordinance No. 2011-013 compensation for appointed Town Council members. Ordinance 2016-002 increased the compensation from \$50 to \$75 per meeting and increased the maximum allowable compensation amount each Town Council member was entitled to receive from \$600 per year to \$900. Pursuant to Indiana Code 36-5-3-2, the compensation of an elected official may not be changed in the year for which it was fixed.

In 2016, James LaMaster, Town Council member, received compensation in the amount of \$825 for attending 11 Police Commission meetings at \$75 per meeting. Of this amount, \$275 represented an overpayment due to an increase in compensation in the year for which it was fixed.

In 2016, Brad J. Amos, Town Council member, received compensation in the amount of \$825 for attending 11 meetings of the Planning Commission at \$75 per meeting. Of this amount, \$275 represented an overpayment due to an increase in compensation in the year for which it was fixed.

In 2016, Martina Webster, Town Council member, received compensation in the amount of \$750 for attending 10 Planning Commission meetings at \$75 per meeting. Of this amount, \$250 represented an overpayment due to an increase in compensation in the year for which it was fixed.

Indiana Code 36-5-3-2 states in part:

"(a) As used in this section, 'compensation' means the total of all money paid to an elected town officer for performing duties as a town officer, regardless of the source of funds from which paid.

(b) The town legislative body shall, by ordinance, fix the compensation of its own members . . .

(c) The compensation of an elected town officer may not be changed in the year for which it is fixed, nor may it be reduced below the amount fixed for the previous year. . . ."

Underpayment of Town Council Compensation for 2015

Town Ordinance No. 2014-016 provided for the monthly compensation of Town Council members in the amount of \$926.12 per month for the President of the Town Council and \$826.12 per month for Town Council members. For the year 2015, Town Council members received compensation for only 11 months.

Each unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

Martina Webster, Town Council member, was requested to reimburse the Town in the amount of \$250, which represents the 2016 increase in per meeting compensation from \$50 per meeting to \$75 per meeting. Martina Webster made arrangements with the Town to reimburse the Town for the \$250 in overpayment of compensation.

Due to the net effect of the increase in compensation for the year fixed for 2016 and the underpayment of Town Council compensation for 2015, James LaMaster, Town Council member, and Brad J. Amos, Town Council member, were not requested to reimburse the Town for the increase in per meeting compensation from \$50 per meeting to \$75 per meeting.

TOWN COUNCIL
TOWN OF SELLERSBURG
EXIT CONFERENCE

The contents of this report were discussed on January 31, 2018, with Paul J. Rhodes, President of the Town Council; Brad J. Amos, Town Council member; Martina Webster, Town Council member; James LaMaster, Town Council member; William Conlin, Town Council member; Michelle D. Miller, Clerk-Treasurer; Brian Meyer, former Town Council member; and Barbara Haas, former Clerk-Treasurer.