

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF NEW CASTLE

HENRY COUNTY, INDIANA

January 1, 2017 to December 31, 2018



**FILED**  
10/18/2019



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Christy York	01-01-16 to 12-31-19
Mayor	Greg York	01-01-16 to 12-31-19
President of the Board of Public Works and Safety	Greg York	01-01-17 to 12-31-19
President Pro Tempore of the Common Council	Mark Kroger	01-01-17 to 12-31-19
Utility Office Manager	(Vacant) Mark Stacy	01-01-17 to 01-08-17 01-09-17 to 12-31-19



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF NEW CASTLE, HENRY COUNTY, INDIANA

This report is supplemental to our audit report of the City of New Castle (City), for the period from January 1, 2017 to December 31, 2018. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the City. It should be read in conjunction with our Financial Statement Audit Report of the City, which provides our opinion on the City's financial statement. This report may be found at [www.in.gov/sboa/](http://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 Audit 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 Audit Result and Comment, incorporated within this report, was not verified for accuracy.

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

September 16, 2019

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CLERK-TREASURER  
CITY OF NEW CASTLE

CLERK-TREASURER  
CITY OF NEW CASTLE  
AUDIT RESULT AND COMMENT

**OVERDRAWN CASH BALANCES**

This is a similar audit result and comment from the immediately prior Report B49111, entitled *OVERDRAWN CASH BALANCES*.

The City's financial statement included the following funds with overdrawn cash balances at December 31, 2017 and 2018:

Fund	Amount Overdrawn December 31, 2017	Amount Overdrawn December 31, 2018
IPFP EMPLEE CLEARING	\$ 18,315	\$ 37,443
HEALTH INS. CUM.	3,178,004	4,713,627
CITY CENTER NON-REVERT	-	26,820

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)

CLERK-TREASURER  
CITY OF NEW CASTLE  
EXIT CONFERENCE

The contents of this report were discussed on September 16, 2019, with Christy York, Clerk-Treasurer; Greg York, Mayor; Brenda Grider, Deputy Clerk-Treasurer, Rex Peckinpaugh, Common Council member; and Jerry Walden, Common Council member.