

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF BARGERSVILLE

JOHNSON COUNTY, INDIANA

January 1, 2018 to December 31, 2019



**FILED**

02/22/2021



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Steven W. Longstreet Nancy Kehl	01-01-18 to 07-23-18 07-24-18 to 12-31-21
President of the Town Council	Bruce Morris Richard Doyle James Rumell II	01-01-18 to 12-31-18 01-01-19 to 08-28-19 08-29-19 to 12-31-21



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF BARGERSVILLE, JOHNSON COUNTY, INDIANA

This report is supplemental to our audit report of the Town of Bargersville (Town), for the period from January 1, 2018 to December 31, 2019. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statement Audit Report of the Town, which provides our opinions on the Town'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 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

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

January 27, 2021

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CLERK-TREASURER  
TOWN OF BARGERSVILLE

CLERK-TREASURER  
TOWN OF BARGERSVILLE  
AUDIT RESULTS AND COMMENTS

**CAPITAL ASSETS**

*Condition and Context*

The Town does not have a formal, approved Capital Assets policy, and the Capital Assets ledger was incomplete and did not agree with the schedule presented in the Annual Financial Report as of December 31, 2019.

*Criteria*

Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

**PENALTY RATES - WASTEWATER, STORM WATER, AND FIRE PROTECTION**

*Condition and Context*

Penalties for late payment of Wastewater, Storm Water, and Fire Protection billings were not being computed correctly by the Utility software. Penalties for each of these three utility billing types were being calculated the same as the Water and Electric Penalty Rates as a 10 percent charge on the first \$3, and 3 percent on the excess over \$3.

CLERK-TREASURER  
TOWN OF BARGERSVILLE  
AUDIT RESULTS AND COMMENTS  
(Continued)

Wastewater Utility Ordinance 2016-28, adopted November 11, 2016, states in Section 53.07 User Rate Schedule For Charges; Availability and Connection Fees: . . .

"(C) . . . If any service rate or charge hereby established shall not be paid within 30 days after the same is due, a statement therefor shall be placed in the hands of the Town Attorney, and it shall be the duty of the Town Attorney to institute a civil action in the name of the Town of Bargersville to recover the amount thereof, together with a penalty of 10% and a reasonable attorney's fee, as provided by law."

On November 26, 2019, the Town adopted Wastewater Ordinance 2019-25, which states in Section 53.14 Administrative Enforcement Remedies: . . .

"(F) Administrative Fines . . . (2) Unpaid charges, fines, and penalties shall, after 45 calendar days, be assessed an additional penalty of 10% of the unpaid balance, and interest accrue thereafter at a rate of 1% per month. A lien against the user's property shall be sought for unpaid charges, fines, and penalties."

Storm Water Ordinance 2011-9, adopted June 2, 2011, states in Section 55.01 Rates and Charges:

"(A) . . . (7) Late charge. If the monthly storm water utility fee is not paid by the due date stated on the bill, a late charge of 10% will be assessed, together with costs of collection, if any, including reasonable attorney's fees."

An ordinance authorizing the assessment of penalties on unpaid Fire Protection bills was not presented for audit.

*Criteria*

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)

CLERK-TREASURER  
TOWN OF BARGERSVILLE  
EXIT CONFERENCE

The contents of this report were discussed on January 27, 2021, with Nancy Kehl, Clerk-Treasurer; Jane Brockes, Controller; Laurie Campbell, Assistant Controller; Julie Young, Town Manager; Ruth Ann Moore, Town Council member; and Susan Qualls, Town Council member.