

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF BOONVILLE

WARRICK COUNTY, INDIANA

January 1, 2019 to December 31, 2020



FILED
09/14/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Tamelia L. Boruff	01-01-19 to 12-31-21
Mayor	Charles R. Wyatt	01-01-19 to 12-31-21
President of the Board of Public Works	Charles R. Wyatt	01-01-19 to 12-31-21
President of the Common Council	Larry Lacer	01-01-19 to 12-31-21



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF BOONVILLE, WARRICK COUNTY, INDIANA

This report is supplemental to our audit report of the City of Boonville (City), for the period from January 1, 2019 to December 31, 2020. 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 opinions on the City's financial statement. 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 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

August 31, 2021

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CLERK-TREASURER
CITY OF BOONVILLE

CLERK-TREASURER
CITY OF BOONVILLE
AUDIT RESULT AND COMMENT

ACCOUNTING AND APPROPRIATION OF COVID-19 GRANTS

Condition and Context

The City did not properly account for the Coronavirus Relief Fund (CRF) in accordance with the options outlined in State Examiner Directive 2020-3.

The City commingled the CRF monies administered by Indiana Finance Authority (IFA) with COVID funds received from the Indiana Office of Community and Rural Affairs (OCRA). The OCRA monies were receipted into the Covid Small Business Grant - OCRA fund, a properly created COVID fund, and were spent, which resulted in a zero-fund balance, prior to the receipt of the CRF monies. The CRF monies were receipted into the same fund. Subsequently, the City issued claims to move the CRF monies from the Covid Small Business Grant - OCRA fund to the funds that originally incurred the expense instead of processing a reversing entry.

Criteria

State Examiner Directive 2020-3 states in part:

"Each local unit of government that receives an allocation from the Coronavirus Relief Fund administered by IFA shall establish a separate CARES grant fund with a fund number consistent with memorandum *Accounting and Appropriation of COVID-19 Grants*, April 29, 2020 (updated September 29, 2020).

All Reimbursements received from IFA shall be receipted into a separate CARES grant fund that is specific to IFA reimbursements. . . .

Option One. Reimbursements received from IFA shall be receipted into the separate CARES grant fund. The reimbursed amount for public health and safety payroll costs originally incurred in the general fund (or other fund) will be moved to the separate CARES grant fund through a reversing entry. This action will reinstate the general fund (or other fund) cash balance and re-appropriate the general fund (or other fund) in a similar manner to IC 6-1.1-18-9(1) for those disbursements. This reversal must be done in the same budget year that the original transaction was posted. . . ."

**CITY OF BOONVILLE
OFFICE OF CLERK-TREASURER
135 SOUTH SECOND STREET
P.O. BOX 508
BOONVILLE, INDIANA 47601
TELEPHONE (812) 897- 6543 FAX (812) 897- 6545**

September 10, 2021

State Board of Accounts

RE: Audit Results

To Whom it Concerns:

The City of Boonville along with all the other Cities and Towns experienced things in 2020 with the Covid Pandemic that none of us have ever dealt with. Even State Board of Accounts and all the governing agencies were unsure of the future and I appreciate that we all tried to do the best we could with the knowledge we had. It seemed like every time we turned on our computer the rules were changing because this was completely new to all of us. I along with the other Clerk-Treasurers relied on our City Attorneys and direction from our Local Mayors, Councils and the State Board of Accounts.

I originally set up the Covid Fund 152 and thought I was doing the right thing by setting up a separate revenue number and appropriation number to keep the other Covid Money separate. However, I was to set up 2 separate funds which I have corrected for future money in 2021.

Fortunately, due to fiscal responsibility of my office and under the leadership of our Mayor and City Council we were in a position far better than most communities to be able to financially withstand the huge financial burden that this pandemic placed on all communities. Our former City Council directed me to put money in a reserve fund for emergencies and when this pandemic hit, we were prepared to use the reserve money to buy all the necessities that were required to keep our city safe. I was instructed by the Mayor and City Council to repay that money if we received any financial assistance which I did.

Our City Officials met virtually 2-3 times a day because the rules changed hour by hour and to make sure we stayed compliant. We kept all our receipts and documented every eligible expense by what was originally set up by the IFA. Again, the City of Boonville was fortunate because as Clerk-Treasurer I had appropriated a portion of the reserve money in 2020 and we were able to use appropriated money and unlike many communities didn't have to use unappropriated money and run in the red for these expenses. I was not aware I was going to have to reverse all the expenses that was spent from our appropriated fund and reenter in Fund 152. Most of these expenses were incurred in April, May and June of 2020 and those months had been closed so to reverse all the expenses would have messed up by months already closed.

Again, I appreciate the State Board of Accounts and all the direction you give us but right before my exit interview I was told that because I was one of the first communities audited for the Covid money, that there was to be a meeting of the powers to be because they felt that a lot of the Clerk-Treasurers would have the same Audit Comment as myself. If I was the only one than I could understand the comment. I respectfully disagree with the Audit result; however, will continue to strive to serve my city well and will continue to strive to be compliant

Sincerely,

Tammy Boruff
Clerk-Treasurer

CLERK-TREASURER
CITY OF BOONVILLE
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2021, with Tamelia L. Boruff, Clerk-Treasurer; Charles R. Wyatt, Mayor; and Jim Miller, Common Council member.