

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

CITY OF LEBANON

BOONE COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED
02/24/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Tonya Thayer	01-01-20 to 12-31-22
Mayor	Matthew Gentry	01-01-20 to 12-31-22
President of the Board of Public Works and Safety	Matthew Gentry	01-01-20 to 12-31-22
President Pro Tempore of the Common Council	Richard Robertson Brent Wheat Morris Jones	01-01-20 to 12-31-20 01-01-21 to 12-31-21 01-01-22 to 12-31-22
Utility Chief Financial Officer	Sandra Morgan	01-01-20 to 12-31-22



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE CITY OF LEBANON, BOONE COUNTY, INDIANA

This report is supplemental to our audit report of the City of Lebanon (City), for the period from January 1, 2020 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 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

February 9, 2022

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CLERK-TREASURER
CITY OF LEBANON

CLERK-TREASURER
CITY OF LEBANON
AUDIT RESULTS AND COMMENTS

ORDINANCES AND RESOLUTIONS

Condition and Context

The City collected fees for trash collection and recycling during the audit period without an authorized ordinance or resolution.

The City collected late payments for Water Utility customers that were not outlined in *Ordinance No. 18-06, An Ordinance Amending Ordinance No. 10 - 10 Establishing a Schedule of Rates and Charges Collected by the City of Lebanon, Indiana, From the Owners of Property Served by the Water Works of Said City.*

Criteria

Fees can only be collected as specifically authorized by law or properly authorized ordinance/resolution. When a fee is NOT specified by law, but instead through the use of an ordinance/resolution, sufficient authoritative reference should be maintained. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

COMPENSATION AND BENEFITS

Condition and Context

Salaries were paid to some employees without being properly approved.

The salary ordinances adopted by the Common Council did not include the Fire Department Office Manager position; the salary paid to this employee was only approved in the City's budget.

The budget also included \$30,000 for seasonal park laborers; however, individual employee rates of pay for these positions were not approved in the salary ordinance.

Criteria

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by law. Compensation must be paid in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

CLERK-TREASURER
CITY OF LEBANON
EXIT CONFERENCE

The contents of this report were discussed on February 9, 2022, with Tonya Thayer, Clerk-Treasurer; Sandra Morgan, Utilities Chief Financial Officer; Matthew Gentry, Mayor; and Brent Wheat, Common Council member.

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COMMON COUNCIL
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