

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

COMPLIANCE EXAMINATION REPORT

OF

CITY OF KENDALLVILLE

NOBLE COUNTY, INDIANA

January 1, 2021 to December 31, 2021



**FILED**  
09/15/2022



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Accountant's Report on Compliance and Report on Internal Control over Compliance .....	3-4
Schedule of Findings and Responses .....	5
Other Reports.....	6

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Kathren R. Ritchie	01-01-21 to 12-31-22
Mayor	W. SuzAnne Handshoe	01-01-21 to 12-31-22
Chair of the Board of Public Works and Safety	James C. Dazey II	01-01-21 to 12-31-22
President Pro Tempore of the Common Council	James C. Dazey II	01-01-21 to 12-31-22



INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE CITY OF KENDALLVILLE, INDIANA

**Report on Compliance**

We have examined the City of Kendallville's (City) compliance with the compliance requirements described in the *OMB Compliance Supplement* relating to the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) during the period January 1, 2021 to December 31, 2021. Management of the City is responsible for the City's compliance with the specified requirements and for the design, implementation, and maintenance of effective internal control over compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with the standards applicable to examinations contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*) and attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements referenced above.

In our opinion, the City complied, in all material respects, with the compliance requirements described in the *OMB Compliance Supplement* relating to SLFRF during the period January 1, 2021 to December 31, 2021.

**Report on Internal Control over Compliance**

In performing an examination in accordance with *Government Auditing Standards*, we obtain an understanding of the City's internal control over compliance relevant to the examination in order to design procedures that are appropriate in the circumstances and to report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with the officials of the City any significant deficiencies and material weaknesses in internal control over compliance that we identified during the examination.

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
(Continued)

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by officials of the City.

Our consideration of internal control over compliance was for the limited purpose described in the sections above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our examination we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our examination was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



Beth Kelley, CPA, CFE  
Deputy State Examiner

August 23, 2022

CITY OF KENDALLVILLE  
SCHEDULE OF FINDINGS AND RESPONSES

No matters are reportable.

## OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.