

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF NORTH LIBERTY

ST. JOSEPH COUNTY, INDIANA

January 1, 2020 to December 31, 2021



FILED

10/06/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Vicki Kitchen	01-01-20 to 12-31-22
President of the Town Council	Randy Lemert	01-01-20 to 12-31-22
Superintendent of the Utilities	Lysle Davidson	01-01-20 to 12-31-22



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF NORTH LIBERTY, ST. JOSEPH COUNTY, INDIANA

This report is supplemental to our audit report of the Town of North Liberty (Town), for the period from January 1, 2020 to December 31, 2021. 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 statements. 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.

Beth Kelley, CPA, CFE
Deputy State Examiner

September 19, 2022

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CLERK-TREASURER
TOWN OF NORTH LIBERTY

CLERK-TREASURER
TOWN OF NORTH LIBERTY
AUDIT RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The same comment appeared in a Management Letter addressed to the Clerk-Treasurer for the audit period ending December 31, 2019.

Condition and Context

The financial statement included the Payroll fund with an overdrawn cash balance of \$7,995 and \$7,791 at December 31, 2020 and 2021, respectively. Those funds with overdrawn cash balances due to the timing of reimbursements for expenditures were not included in this comment.

Criteria

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
TOWN OF NORTH LIBERTY
EXIT CONFERENCE

The contents of this report were discussed on September 19, 2022, with Vicki Kitchen, Clerk-Treasurer, and Randy Lemert, President of the Town Council.