

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, 2020 to December 31, 2021



FILED

10/26/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Nancy Kehl	01-01-20 to 12-31-22
President of the Town Council	James Rumell II Andrew Greenwood	01-01-20 to 12-31-21 01-01-22 to 12-31-22



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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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, 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 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.

Beth Kelley, CPA, CFE
Deputy State Examiner

October 17, 2022

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CLERK-TREASURER
TOWN OF BARGERSVILLE

CLERK-TREASURER
TOWN OF BARGERSVILLE
AUDIT RESULTS AND COMMENTS

CAPITAL ASSETS

The same comment appeared in the prior Report B56427.

Condition and Context

The Town did 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, 2021. The Town had not taken a physical inventory within the last two years.

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)

CERTIFICATION ON INTERNAL CONTROL STANDARDS

Condition and Context

The Town's certification on the Indiana Gateway for Government Units (Gateway) financial reporting system regarding the adoption of and training on internal control standards was not made correctly. The Town's Gateway certification indicated that personnel had received the training on internal control standards; however, documentation could not be provided for all personnel selected for testing to support that the selected employees had received the training.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

BANK ACCOUNT RECONCILIATIONS

Condition and Context

The Town reconciled each individual bank account monthly but did not complete an all-inclusive bank reconciliation for all accounts which reconciled to the general ledger fund balance. The Pooled Investment accounts balance at December 31, 2020, was less than the ledger balance by \$38,562, and at December 31, 2021, the accounts were greater than the ledger by \$509,756.

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

Criteria

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

DELINQUENT WASTEWATER ACCOUNTS

Condition and Context

Town did not file liens on delinquent wastewater accounts during the audit period.

Criteria

Indiana Code 36-9-23-33 states in part:

". . . (c) Except as provided in subsection (m), the officer charged with the collection of fees and penalties assessed under this chapter shall enforce their payment. As often as the officer determines is necessary in a calendar year, the officer shall prepare either of the following:

(1) A list of the delinquent fees and penalties that are enforceable under this section, which must include the following:

(A) The name or names of the owner or owners of each lot or parcel of real property on which fees are delinquent.

(B) A description of the premises, as shown by the records of the county auditor.

(C) The amount of the delinquent fees, together with the penalty.

(2) an individual instrument for each lot or parcel of real property on which the fees are delinquent.

(d) The officer shall record a copy of each list or each individual instrument with the county recorder . . .

(f) . . . Using the lists and instruments prepared under subsection (c) and recorded under subsection (d), the officer shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (d), certify to the county auditor a list of the unpaid liens for collection with the next May installment of property taxes. . . ."

Bargersville Town Council

R. Dustin Doyle
Andrew Greenwood
Ruth Ann Moore
Susie Qualls
James Rumell II



Town Manager
Dan Cartwright

Clerk Treasurer
Nancy Kehl

Responses for Audit Results and comments.

Comment:

Bank Account Reconciliations

A current town consultant was verbally hired by the Clerks office to look into the variance and advise throughout the year as needed and on year end reporting. Investments will be tracked and set up in a separate register.

Comment:

Delinquent wastewater accounts

Utility Billing has been removed from the Clerk Treasurer and added to Utilities Department. ORDINANCE NO. 2021-05 – AN ORDINANCE OF THE TOWN OF BARGERSVILLE,

INDIANA AMENDING ORDINANCE NO. 2020-26 UPDATING UTILITY DEPARTMENT

STAFF TO INCLUDE CUSTOMER SERVICE BILLING AND ADDING A CUSTOMER

SERVICE SUPERVISOR POSITION.

Nancy Kehl Clerk Treasurer

10/21/22

Town of Bargersville

Bargersville Town Council

R. Dustin Doyle
Andrew Greenwood
Ruth Ann Moore
Susie Qualls
James Rumell II



Town Manager
Dan Cartwright

Clerk Treasurer
Nancy Kehl

RE: Town Council Audit Result and Comment

Certification on internal control standards

The Town Council has adopted a policy that states "all employees" are required to watch an [internal control training video](#) and ensure all employee files include a signed attestation. The Town's HR department will be responsible for maintaining proof of internal control training for all current and future employees.

RE: Clerk Treasurer Audit Result and Comment

Delinquent wastewater accounts

Utility Billing has moved from the Clerk Treasurer to Utilities Department. ORDINANCE NO. 2021-05-AN
ORDINANCE OF THE TOWN OF BARGERSVILLE,

INDIANA AMENDING ORDINANCE NO. 2020-26 UPDATING UTILITY DEPARTMENT

STAFF TO INCLUDE CUSTOMER SERVICE BILLING AND ADDING A CUSTOMER

SERVICE SUPERVISOR POSITION.

The Town's wastewater utility manager is preparing a policy this fall to address delinquent accounts. The Council seeks to adopt a policy by year end and will work with legal to ensure requirements are met. The new policy will outline how the Town will approach liens and delinquent wastewater accounts.

Capital Assets

This was answered through the SBOA Website as instructed by the Repeat findings Guidelines Instructions given.

Bank Account Reconciliations

The Clerk-Treasurer's Office reconciles each individual bank account monthly but has not been preparing a global cash to book summary. Staff is preparing a summary schedule and will begin incorporating that for 2022 reconcilements. An outside consultant has been obtained to periodically review and assist with the investment and debt fund accounting variances.

P.O. Box 420 • Bargersville, Indiana 46106 Phone: 317-422-5115 • Fax: 317-422-5117
www.townofbargersville.org

CLERK-TREASURER
TOWN OF BARGERSVILLE
EXIT CONFERENCE

The contents of this report were discussed on October 17, 2022, with Nancy Kehl, Clerk-Treasurer; Laurie Campbell, Controller; Andrew Greenwood, President of the Town Council; and Adam Stone, Consultant, via phone call.

TOWN COUNCIL
TOWN OF BARGERSVILLE

TOWN COUNCIL
TOWN OF BARGERSVILLE
AUDIT RESULT AND COMMENT

TRAINING ON INTERNAL CONTROL STANDARDS

Condition and Context

Of the five personnel selected for testing, documentation could not be provided for three employees to indicate that training had been received over internal control standards.

Criteria

Indiana Code 5-11-1-27(g) states in part:

"After June 30, 2016, the legislative body of a political subdivision shall ensure that: . . .

- (2) personnel receive training concerning the internal control standards and procedures adopted by the political subdivision."

Bargersville Town Council

R. Dustin Doyle
Andrew Greenwood
Ruth Ann Moore
Susie Qualls
James Rumell II



Town Manager
Dan Cartwright

Clerk Treasurer
Nancy Kehl

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