



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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May 10, 2023

TO: THE OFFICIALS OF THE TOWN OF MT. SUMMIT, HENRY COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Town of Mt. Summit (Town), Henry County, for the period of January 1, 2018 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The Town's Annual Financial Reports filed by management can be found on the Gateway Website: www.gateway.ifonline.org.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Comments

ANNUAL FINANCIAL REPORTS

Condition and Context

The Annual Financial Reports (AFR) for 2021 and 2022 submitted into the Indiana Gateway for Government Units financial reporting system contained errors and did not agree to the Town's records.

The AFRs contained the following errors:

- The AFR for 2021 omitted a savings account for one fund and reported errors in two other funds for reported net errors of \$8,541.28 in the ending cash and investments balances at December 31, 2021.
- The AFR for 2022 omitted a savings account in the amount of \$24,819.84.

Adjustments to the December 31, 2022 balances reported on the Schedule of Cash and Investment Balances included in this report were proposed and accepted by the Town.

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](#)."

Units are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

SCHEDULE OF CASH AND INVESTMENTS
BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2022

Fund	Cash and Investments 12-31-22
General	\$ 20,216
Motor Vehicle Highway UNALLOCATED	54,507
Local Road And Street	4,028
MOTOR VEHICLE HIGHWAY ALLOCATED	7,308
OPIOID SETTLEMENT UNRESTRICTED	108
POLICE FUND	(280)
ARP - CORONAVIURS RELIEF FUND	8,798
Payroll	8,692
WATER OPERATING	18,879
HYDRANT FUND	3,936
CHANGE FUND	100
WATER DEPRECIATION	4,125
TRASH FUND	8,926
METER DEPOSITS	3,641
SRF RESERVE	-
CEMETERY MAINTENANCE	64,882
CEMETERY ENDOWMENT	-
Total	<u>\$ 207,866</u>

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Veneca Montgomery, Clerk-Treasurer, and Caroline Utt, Town Council member, on May 9, 2023.

Respectfully,



Beth Kelley, CPA, CFE
Deputy State Examiner