

CITIES AND TOWNS BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES
ISSUED BY STATE BOARD OF ACCOUNTS

MARCH 2017

PAGE 1

REGIONAL TRAINING SCHOOLS

Pursuant to the provisions of Indiana Code 5-11-14, the State Board of Accounts will conduct a series of identical one-day training schools at 4 locations across the State in April and May. The meeting locations have been selected in 4 regions of the state to provide greater access to officials without the need for overnight accommodations. Each location (Lafayette/northwest; Ft. Wayne/northeast; Columbus/southeast; and Washington/southwest) was selected to be accessible by car in less than two hours. Our goal with this series of meetings is to bring training closer to you at minimal or no cost. **There is no registration fee for this training.** Please see the attached memorandum, pages four and five, for more information.

JUNE TRAINING SCHOOL

This year's June Training School will be held in Florence as part of the Indiana League of Municipal Clerks and Treasurers' Annual Conference during the week of June 12 through June 15, 2016. The Conference and School will be held at the Belterra Casino Resort.

The State Board of Accounts will be conducting two (2) days of training (June 13 and 14) at the Conference which will be State-called meeting days. Please mark these dates on your calendar. An explanatory letter along with a tentative agenda will be sent prior to the meeting.

TRAVELING EXPENSES – PARKING AND TOLL FEES

There is no statute limiting city and town employees to the sum per mile paid to state officers and employees. City and town councils have the authority to set the sum per mile which officials and employees of the unit are to receive. Councils also have the authority to determine whether parking and toll fees shall be included in the mileage rate or whether officials and employees are to be reimbursed for toll charges and parking fees in addition to their mileage. In an audit, the State Board of Accounts will not take audit exception to payments for mileage, toll charges, and parking fees as long as they are made pursuant to an existing travel reimbursement ordinance enacted by the unit's legislative body.

REIMBURSEMENT OF TRAVEL EXPENSE FOR SPOUSE

State statutes authorize reimbursement of business travel expenses when a municipal official or employee is in travel status on behalf of the municipality. The authorization includes mileage reimbursement for use of a personal automobile when used for municipal purposes.

REIMBURSEMENT OF TRAVEL EXPENSE FOR SPOUSE – (Continued)

There are only a few instances wherein State statutes provide for travel expense reimbursements by a government unit for individuals other than officials or employees of the governmental unit. Almost all such statutes are related to reimbursing travel costs for interviewing of a prospective employee of a governmental unit. We know of no such permissive statutes for a municipality.

Under Home Rule, there could be instances wherein spouses' travel expenses have been reimbursed from a "promotion of business" appropriation. This would be proper only if the enabling Home Rule ordinance makes such provision.

In the absence of statutory authority or a "Home Rule" authorizing ordinance, an audit exception would be taken when expenses for spouses' travel costs are paid from public funds. (Of course this assumes the spouse is not also an official or employee of the governmental unit.)

STATE DISTRIBUTIONS

The following is a listing of the state distributions which most cities and towns receive along with the applicable state fund and account number, account name, frequency of distribution, and city and town fund to which the distribution should be receipted:

<u>State Fund/ Account Number</u>	<u>Account Name</u>	<u>Distribution</u>	<u>City or Town Fund</u>
30112/561000	Motor Vehicle Highway	Monthly	Motor Vehicle Highway
50530/561000	Local Road and Street	Monthly	Local Road and Street
48020/562500	ATC Excise Tax	Semiannual	General
1480/561000	ATC Gallonage	Quarterly	General
38330/561000	Cigarette Tax – General	Semiannual	General
38340/561000	Cigarette Tax – CCI	Semiannual	Cumulative Capital Improvement
41940/561000	Accelerated MVH #1	Monthly (1)	Motor Vehicle Highway
41960/561000	Accelerated MVH #2	Monthly (1)	Motor Vehicle Highway

(1) These distributions will be received in August and September or until the State has accumulated \$25,000,000.00 of gasoline tax and \$25,000,000.00 of special fuel tax.

Any questions should be directed to the Settlement Department of the Auditor of State's office at settlements@auditor.in.gov.

UNIFORM SYSTEM OF ACCOUNTS FOR UTILITIES**Water, Wastewater, Electric and Gas Utilities**

Municipally owned water, wastewater (sewage), electric and gas utilities are required to use the systems of accounts published by the National Association of Regulatory Utility Commissioners.

Water and wastewater (sewage) utilities are divided into three classes, A, B and C.

Electric and gas utilities are divided into four classes, A, B, C and D.

In accordance with the instructions found in the Uniform Systems of Accounts, the class to which any utility belongs shall originally be determined by the average of its annual operating revenues for the last three consecutive years. Subsequent changes in classification shall be made when the annual operating revenues for each of the three immediately preceding years shall exceed the upper limit, or be less than the lower limit of the annual operating revenues of the classification previously applicable to the utility.

The Uniform System of Accounts pertaining to any particular type or class of utility may be obtained from the website of the National Association of Regulatory Utility Commissioners at www.naruc.org.

PAYMENTS TO BANKS OF COMPENSATION DUE EMPLOYEES

Pursuant to IC 5-10-9, an employee of a municipal corporation may make a written request that any compensation due the employee from the municipal corporation be deposited to his/her account in a bank or trust company.

The statute further provides the fiscal officer on receipt of request may:

1. draw a check in favor of the bank or trust company set forth in the request for the credit of the employee; or
2. in the event more than one employee of the same municipal corporation designates the same bank or trust company, draw a single check in favor of the bank or trust company for the total amount due the employees and transmit the check to the bank or trust company identifying each employee and the amount to be deposited in each employee's account.

SPECIAL FUEL TAXES

Please note the Indiana Department of Revenue's latest guidelines are available at www.in.gov/dor. The guidelines concern the taxation, licensing, and reporting on special fuels.

Inquiries may be directed to the Department of Revenue, Special Tax Division, at (317) 615-2630 or at www.in.gov/dor.

Questions pertaining to Federal requirements should be directed to the Internal Revenue Service at 1 (800) 829-1040 or 1 (866) 699-4096 or www.irs.gov.

Please contact these agencies for any applicable questions if your city or town uses special fuels.



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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INDIANAPOLIS, INDIANA 46204-2769

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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: All City and Town Clerk-Treasurers, City Clerks and City Controllers
DATE: March 16, 2017
SUBJECT: State Called Meeting

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Pursuant to the provisions of Indiana Code 5-11-14, the State Board of Accounts will conduct a series of identical one-day training schools at 4 locations across the state in April and May. The meeting locations have been selected in 4 regions of the state to provide greater access to officials without the need for overnight accommodations. Each location (Lafayette/northwest; Ft. Wayne/northeast; Columbus/southeast; and Washington/southwest) was selected to be accessible by car in less than two hours. Our goal with this series of meetings is to bring training closer to you at minimal or no cost. **There is no registration fee for this training.** You may have some costs related to travel (mileage reimbursement or gas for city/town owned vehicles) and lunch.

The training offered at this series of meetings will be geared toward newer or less experienced Clerk-Treasurers and will focus on issues and topics such as bank reconciliations, payment of claims, fund uses/sources, the new accounting manual, and the SBOA website. But all Clerk-Treasurers are welcome and encouraged to attend the nearest meeting location. We are finalizing the agenda and will have it available soon. Each training location will begin at 8:30 a.m. local time and end approximately at 3:30 p.m..

Registration: Please complete the Pre-Registration form on our website to ensure you receive credit for attending the State Called meeting. The form is on our website at www.in.gov/sboa - the form is then under Political Subdivisions>Cities (or Towns as applicable)>Pre-Registration for State Called Meeting. Select the date you will be attending. Again, there is no fee for registration.

Locations: The meeting dates and locations are as follows:

April 20, 2017 Washington Community Building
5501 Burkhart Dr.
Washington, IN 47501
(note: if your GPS does not find this street, try searching for "Eastside Park")

April 25, 2017 Ft. Wayne Ivy Tech South Campus
Public Safety Auditorium
7602 Patriot Crossing
Ft. Wayne, IN 46816

April 27, 2017 Columbus Learning Center
4555 Central Avenue
Columbus, IN 47203
(note: park in front of Learning Center & in any lots around Ivy Tech)

May 16, 2017 Lafayette Ivy Tech
Ivy Hall
3101 S. Creasy Lane
Lafayette, IN 47905

To: All City and Town Clerk-Treasurers, City Clerks and City Controllers
March 16, 2017
Page Two

Each location has different amenities – some will have tables and chairs, others will have auditorium-type seating with a lap-desk, etc. When deciding on what to bring with you (notepad, laptop, etc.), please be mindful your location may not have the traditional table and chair as a workspace.

Meals: In order to keep costs minimal or nonexistent, meals and food will **not** be provided by SBOA. Each location has restaurants nearby as lunch will be on your own and we will build an hour and a half into the agenda for lunch. You can bring your lunch and/or snacks, but kitchen facilities are not available. Some locations may not permit food or drink inside the meeting space. If you bring a food or drink, we'd recommend packing it in a type of cooler that you could leave in your car and retrieve during a break.

As provided in Indiana Code 5-11-14-1, "the elected official, at the direction of the State Examiner, may require the attendance of:

1. each of his appointed and acting chief deputies or chief assistants: and
2. if the number of deputies or assistants employed:
 - A. does not exceed three (3), one (1) of his appointed and acting deputies or assistants;
or
 - B. exceeds three (3), two (2) of his duly appointed acting deputies and assistants."

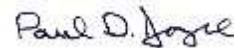
Each official, deputy, or assistant attending the conference shall be allowed mileage at a rate per mile set by your city or town council for each mile necessarily traveled in going to and returning from the training. Only one (1) mileage shall be allowed to the official, deputy, or assistant furnishing the conveyance, although they may be transporting more than one (1) person.

Reimbursement for meals purchased while attending the training in an amount determined by the city or town council through an approved travel policy is also authorized.

The State Board of Accounts will certify attendance for the school to each official, deputy, deputies or assistants attending. All payments of mileage and meals purchased shall be made by the proper disbursing officer in the manner provided by law on a duly verified claim or voucher to which shall be attached the Certificate of the State Board of Accounts. All payments shall be made from the general fund from any money not otherwise appropriated and without any previous appropriation being made therefore.

You are cordially requested to attend the training which has been called in an effort to assist you in properly discharging the duties and responsibilities of your office.

Sincerely,



Paul D. Joyce, CPA State Examiner

TEC/csc

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