

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

TOWN OF ALFORDSVILLE

DAVISS COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
11/29/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6-7
Notes to Financial Statements	8-10
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	12-13
Schedule of Payables and Receivables	14
Schedule of Leases and Debt	15
Examination Results and Comments:	
Penalties, Interest, and Other Charges	16
Payroll Deficiencies	16-18
Condition of Records	18
Errors on Claims	18-19
Collection of Amounts Due	19
Appropriations.....	19-20
Capital Asset Records	20
Exit Conference.....	21
Summary of Charges	22

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Marlin Kelso Ben T. Helms	01-01-08 to 04-30-12 05-01-12 to 12-31-15
President of the Town Council	Robert Raven	01-01-10 to 12-31-12



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF ALFORDSVILLE, DAVIESS COUNTY, INDIANA

We have examined the accompanying financial statements of the Town of Alfordsville (Town), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on the financial statements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Town prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town for the years ended December 31, 2010 and 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Town's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, and Schedule of Leases and Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Town's management, Town Council, and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

September 24, 2012

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Town. The financial statements and notes are presented as intended by the Town.

TOWN OF ALFORDSVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	\$ 5,168	\$ 9,651	\$ 3,920	\$ 10,899
Motor Vehicle Highway	1,236	4,192	947	4,481
Local Road And Street	741	638	997	382
Rainy Day	3,144	110	-	3,254
EDIT	(214)	-	-	(214)
Water Utility - Operating	26,540	115,293	108,464	33,369
Water Utility - Depreciation	6,749	3,000	2,560	7,189
Totals	<u>\$ 43,364</u>	<u>\$ 132,884</u>	<u>\$ 116,888</u>	<u>\$ 59,360</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF ALFORDSVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General Fund	\$ 11,132	\$ 9,704	\$ 10,859	\$ 9,977
Motor Vehicle Highway	4,481	4,151	-	8,632
Local Road And Street	382	623	356	649
Rainy Day	2,052	-	-	2,052
EDIT	755	417	-	1,172
Water Utility Operating	33,369	271,799	282,803	22,365
Water Utility Depreciation	7,189	1,000	8,189	-
Totals	<u>\$ 59,360</u>	<u>\$ 287,694</u>	<u>\$ 302,207</u>	<u>\$ 44,847</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF ALFORDSVILLE
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Town was established under the laws of the State of Indiana. The Town operates under a Town Council form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, general administrative services, and water.

The accompanying financial statements present the financial information for the Town.

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Town.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Utility fees which are comprised mostly of charges for current services.

TOWN OF ALFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Utility operating expenses which include all outflows for operating the utilities.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Town may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Town. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Town. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Town in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

TOWN OF ALFORDSVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Town submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Town in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Risk Management

The Town may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Town to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Town by recording as a disbursement any replacement items purchased.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Town's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Town's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Town which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Town. It is presented as intended by the Town.

TOWN OF ALFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	General Fund	Motor Vehicle Highway	Local Road And Street	Rainy Day	EDIT	Water Utility Operating	Water Utility Depreciation	Totals
Cash and investments - beginning	\$ 5,168	\$ 1,236	\$ 741	\$ 3,144	\$ (214)	\$ 26,540	\$ 6,749	\$ 43,364
Receipts:								
Utility fees	-	-	-	-	-	115,293	-	115,293
Other receipts	9,651	4,192	638	110	-	-	3,000	17,591
Total receipts	9,651	4,192	638	110	-	115,293	3,000	132,884
Disbursements:								
Capital outlay	-	-	-	-	-	-	2,560	2,560
Other disbursements	3,920	947	997	-	-	108,464	-	114,328
Total disbursements	3,920	947	997	-	-	108,464	2,560	116,888
Excess (deficiency) of receipts over disbursements	5,731	3,245	(359)	110	-	6,829	440	15,996
Cash and investments - ending	<u>\$ 10,899</u>	<u>\$ 4,481</u>	<u>\$ 382</u>	<u>\$ 3,254</u>	<u>\$ (214)</u>	<u>\$ 33,369</u>	<u>\$ 7,189</u>	<u>\$ 59,360</u>

TOWN OF ALFORDSVILLE
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	General Fund	Motor Vehicle Highway	Local Road And Street	Rainy Day	EDIT	Water Utility Operating	Water Utility Depreciation	Totals
Cash and investments - beginning	\$ 11,132	\$ 4,481	\$ 382	\$ 2,052	\$ 755	\$ 33,369	\$ 7,189	\$ 59,360
Receipts:								
Taxes	8,078	1,177	-	-	417	-	-	9,672
Intergovernmental	1,338	2,974	623	-	-	63,663	-	68,598
Utility fees	-	-	-	-	-	121,622	-	121,622
Other receipts	288	-	-	-	-	86,514	1,000	87,802
Total receipts	9,704	4,151	623	-	417	271,799	1,000	287,694
Disbursements:								
Personal services	2,072	-	-	-	-	-	-	2,072
Supplies	44	-	356	-	-	-	-	400
Other services and charges	8,326	-	-	-	-	-	-	8,326
Utility operating expenses	-	-	-	-	-	282,803	-	282,803
Other disbursements	417	-	-	-	-	-	8,189	8,606
Total disbursements	10,859	-	356	-	-	282,803	8,189	302,207
Excess (deficiency) of receipts over disbursements	(1,155)	4,151	267	-	417	(11,004)	(7,189)	(14,513)
Cash and investments - ending	\$ 9,977	\$ 8,632	\$ 649	\$ 2,052	\$ 1,172	\$ 22,365	\$ -	\$ 44,847

TOWN OF ALFORDSVILLE
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ -	\$ -
Alfordsville Water Utility	-	11,184
Totals	\$ -	\$ 11,184

TOWN OF ALFORDSVILLE
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Enterprise Activities:			
Line of credit	Install water line	\$ 56,929	\$ 21,000
Totals		<u>\$ 56,929</u>	<u>\$ 21,000</u>

TOWN OF ALFORDSVILLE
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$622.54 were paid to the Internal Revenue Service in May, 2012 for the payroll taxes not remitted for the year 2011.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The prior Clerk-Treasurer, Marlin Kelso, was requested to reimburse the Alfordsville Water Utility \$622.54 for these items. (See Summary of Charges, page 22)

A similar comment appeared in the prior report.

PAYROLL DEFICIENCIES

During the examination of payroll the following deficiencies were noted:

1. The Water Utility pays the entire payroll and once or twice a year the Town reimburses the Water Utility for the Town's Share. During 2010 and 2011, the Town did not transfer enough money to cover their share of the payroll cost. The Town owes the Water Utility \$2,898 for 2010 and 2011. Also, the Town did not repay the Water Utility in the amount of \$383 for the 2006 and 2007 examination period. Therefore, the Town owes the Water Utility a total of \$3,281 for payroll costs.

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

2. Mathematical errors made in 2010 and 2011 when preparing the payroll claim and/or posting the Employee's Earnings Record resulted in errors made when filing the W-2's and 941s. W-2's for 2010 were not presented for examination. 941's for 2011 were not presented for examination, nor were any remittances of payroll taxes made in 2011. No W-3's were presented for 2010 or 2011.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF ALFORDSVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

3. During 2010-2011, one board member was overpaid \$9, another board member was overpaid \$28, and a water employee was underpaid \$67. Since these board members and water employee still hold the same positions with the Town, the overpayments and underpayments should be adjusted through payroll in 2012. The prior Clerk-Treasurer, Marlin Kelso, who retired April 30, 2012, was overpaid \$382.00 during 2010-2011; however, he was underpaid \$266.67 in 2012, resulting in a net overpayment of \$115.33.

The prior Clerk-Treasurer, Marlin Kelso, was asked to reimburse the Water Utility \$115.33 for this salary overpayment. (See Summary of Charges, page 22)

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

4. Employee time, attendance, or service records were not maintained and presented for audit. The Clerk-Treasurer, Water Operator, and Board members are paid \$10 per hour for outside work in accordance with the approved salary ordinance. There is no itemization of the hours worked or when the work was performed.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Indiana Code 5-11-9-4 (b) states in part:

"The state board of accounts shall require that records be maintained showing which hours were worked each day by officers and employees: (1) covered by section 1 or 2 of this chapter; and (2) employed by more than one (1) public agency or in more than one (1) position by the same public agency described in section 1 or 2 of this chapter . . ."

5. One board member was also paid for mowing water property; however, the rate paid was not included in the salary ordinance.

TOWN OF ALFORDSVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution, or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment appeared in prior reports.

CONDITION OF RECORDS

The following deficiencies, relating to the recordkeeping that were cited in the prior examination report, were again present during our period of examination:

1. Record balances were not properly reconciled to depository balances during the two year period. The Clerk-Treasurer would reconcile to an unidentified "difference" each month.

Indiana Code 5-13-6-1(e) states in part: "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."

2. There were a considerable number of posting errors to the ledgers. These errors included deposits not receipted to the ledgers, checks and receipts not recorded in the proper amounts, receipts posted to incorrect fund, interest not posted, and nonsufficient funds checks incorrectly posted.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

3. The electronic annual reports filed for 2010 and 2011 were incorrect and did not agree with ledger transactions or bank transactions. All funds were not included in the annual reports. Adjustments were proposed and approved by management to accurately reflect the financial transactions of the Town as presented in this report.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the examination period:

1. Sales tax was paid on several claims.
2. Claims were not always adequately itemized. Payments were paid from statements or adding machine tapes.
3. All claims did not have board approval prior to payment or an adopted ordinance authorizing payment prior to board approval.

TOWN OF ALFORDSVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

4. Checks did not always agree to the amount on the claims or attached invoices. Immaterial errors were noted on several claims.

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

COLLECTION OF AMOUNTS DUE

During 2011, the Water Utility reimbursed the prior Clerk-Treasurer for assets purchased by him to be used to conduct Town business. The Town does not maintain a town hall so the Clerk-Treasurer ran the office out of his home. The assets included an Epson computer with a three year service plan, a HP Photo Smart printer and a portable AT&T telephone totaling \$750. When the prior Clerk-Treasurer retired on April 30, 2012, these Town owned assets were not turned over to the current Clerk-Treasurer. Since the Water Utility paid for these assets, the Town needs to collect these assets from the prior Clerk-Treasurer.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

TOWN OF ALFORDSVILLE
EXAMINATION RESULTS AND COMMENTS
(Continued)

Fund	Years	Excess Amount Expended
Local Road and Street	2010	\$ 497
General	2011	4,752

Indiana Code 6-1.1-18-4 states, in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

A similar comment appeared in prior reports.

CAPITAL ASSET RECORDS

The Town and Water Utility do not maintain capital asset records.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

A similar comment appeared in prior reports.

TOWN OF ALFORDSVILLE
EXIT CONFERENCE

The contents of this report were discussed on September 20, 2012, with Ben T. Helms, Clerk-Treasurer, and on September 24, 2012, with Marlin Kelso, former Clerk-Treasurer.

An exit conference was held on September 20, 2012, via telephone, with Charles Robbins, Town Council member.

TOWN OF ALFORDSVILLE
SUMMARY OF CHARGES

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Marlin Kelso, former Clerk-Treasurer:			
Penalties, Interest, and Other Charges, page 16	\$ 622.54	\$ -	\$ 622.54
Overpayment of Wages, pages 16 and 17	115.33	-	115.33
Payment made by Marlin Kelso September 24, 2012, check #3800	<u>-</u>	<u>737.87</u>	<u>(737.87)</u>
Totals	<u>\$ 737.87</u>	<u>\$ 737.87</u>	<u>\$ -</u>

This report was forwarded to the Office of the Indiana Attorney General and the local prosecuting attorney.