



## CITIZENS SUMMARY

### Findings in the audit of the Village of Altamont

Water, Sewer, and Trash	Significant weaknesses exist in control procedures for the water, sewer, and trash services. The Board increased water, sewer, and trash rates in a November 29, 2011, closed meeting, but the analysis did not include any consideration of future costs of maintaining the water and sewer systems, so it is not clear whether the utility rates charged are appropriate. Additionally, setting utility rates is not an allowable topic for discussion in a closed meeting. The village does not always properly assess late fees on delinquent accounts, follow-up actions on delinquent accounts are not documented, and the Board treated the list of delinquent accounts as a closed record without demonstrating such treatment complies with state law. The village lacks a formal policy detailing when a payment plan may be authorized, and it does not always obtain a signed written payment agreement. The village does not reconcile the balance of the utility deposit bank account to the customer utility deposits held, and the majority of the \$13,729 in the account could not be linked to specific customers.
Accounting Controls and Procedures	The duties of the Village Clerk are not adequately segregated, and the Board does not adequately review or supervise the Clerk's work, making it difficult to ensure all transactions are accounted for properly and assets are properly safeguarded. Receipt slips are not issued for most monies received, and the composition of receipts is not always documented on the receipt slips. Receipts are not reconciled to the amount of monies deposited and are not always timely deposited. The Board does not sign the detailed list of bills approved for payment.
Accounting Records and Financial Reporting	The village's financial accounting system needs improvement. Monthly receipt and disbursement ledgers are not prepared, and the monthly financial report provided to the Board of Trustees is not complete. The village does not properly track and record restricted monies and is not properly allocating some payments for services and expenses to various funds. For example, the Village Clerk was fully paid from the Water and Sewer Fund even though she performs some duties unrelated to the water and sewer system, and \$3,554 for property and liability insurance coverage was paid from the General Fund even though some of the coverage relates to assets of the Water and Sewer Fund and the Street and Road Fund. The village does not prepare annual budgets or publish or post semiannual financial statements, as required by law. In addition, the village does not submit annual financial reports to the State Auditor's office, as required by law.
Ordinances and Nepotism	The village has not adopted some ordinances needed to govern village employees, and village ordinances are not complete, organized, and up to date. It is unclear why the current Village Clerk is classified as an independent contractor rather than a village employee, and there is no written contract between the village and the Village Clerk outlining each party's rights and responsibilities. The sister-in-law of the then-Board

Chairman, Andrew Lollar, was hired as Village Clerk, but the minutes do not indicate whether a vote was taken to approve her hiring or if the Chairman abstained from voting. Article VII, Section 6, Missouri Constitution, provides that any public official who names or appoints to public office or employment any relative within the fourth degree shall forfeit his office. Moreover, the entire Board was present when interviews were conducted, but no minutes were maintained, as required by the Sunshine Law.

In the areas audited, the overall performance of this entity was **Fair**.\*

American Recovery and  
Reinvestment Act  
(Federal Stimulus)

The Village of Altamont did not receive any federal stimulus monies during the audited time period.

\*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.