



Susan Montee, JD, CPA
Missouri State Auditor

Consolidated Public Water Supply District #4 of Clinton County



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Office of the
Missouri State Auditor
Susan Montee, JD, CPA

May 2010

The following findings were included in our audit report on the Consolidated Public Water Supply District #4 of Clinton County.

The capital improvement plan has not been updated, and the amounts budgeted for capital projects in the annual budgets do not coincide with the amounts presented in the capital improvement plan. A 5 year capital improvement plan was prepared in 2006, which called for projects costing approximately \$3.4 million during the year ended June 30, 2008, but the plan has not been updated since, and actual improvements have not occurred as planned. Budgets do not include information required by state law and no procedures exist to monitor budget to actual activity throughout the year. In addition, the water district does not maintain a list of capital assets, tag its capital assets, or perform physical inventories annually.

The Board's procedures for closing meetings are not in compliance with state law and minutes of closed meetings are not maintained as required. Typically the open session minutes indicated the meeting was being closed, but did not disclose the reason or the vote to close the meeting. Minutes were not maintained for any closed sessions held by the Board in recent years. The water district computers are not password protected and user identifications and passwords have not been established for use by the water district clerks.

The water district maintenance contracts are not adequately detailed and bills are not monitored by district personnel for compliance with contract terms. The water district paid approximately \$444,000 for maintenance of the system during the 2 years ended June 30, 2009, but we indentified instances where amounts paid were not in accordance with contract terms. We also had concerns with the request for proposals process used in selecting the former and current maintenance contractors. The actual proposals received when selecting the former contractor were not maintained and no documentation or analysis was available to support the decision made in selecting the former contractor. Proposals solicited when selecting the current contractor were maintained, but documentation was not maintained to support how the district determined which proposal to accept.

The water district does not have documentation of how the new connection fee charged to customers was determined and adjustments to customer accounts are made without approval by the Board. Procedures for handling delinquent and late accounts have not been formalized and payment plans entered into with customers are not authorized by the Board.

YELLOW SHEET

The district has not adopted a formal bid policy. As a result, the water district did not solicit bids and/or retain bid documentation for some major purchases. In addition, proposals are not periodically solicited for some professional services contracted by the district.

The Board of Directors does not adequately monitor payroll disbursements and personnel policies, resulting in two former district clerks being overpaid upon their resignations in 2008. The former Clerk and Deputy Clerk were paid for unused vacation and sick/personal leave, although these payments were not authorized by personnel policies and we saw no evidence they were approved by the Board. The former Clerk, upon resignation, also received \$1,370 as a prorated portion of the yearly incentive payment approved previously by the Board. A payment was established as a continuing employment incentive for this employee only, if she was still employed by the district at year end. The Clerk was not entitled to the incentive as she was not employed at year end. In addition, while timesheets are prepared by employees, they are not signed by the employee and do not indicate review and approval by the supervisor. Furthermore, water district employees working over 40 hours a week are awarded compensatory time at straight time; adequate records of vacation, sick, and compensatory leave are not maintained; and individual leave balances for employees are not adequately maintained.

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CONSOLIDATED PUBLIC WATER SUPPLY DISTRICT #4 OF CLINTON COUNTY

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STATE AUDITOR'S REPORT



SUSAN MONTEE, JD, CPA
Missouri State Auditor

To the Board of Directors
Consolidated Public Water Supply District #4 of Clinton County, Missouri

The State Auditor was petitioned under Section 29.230, RSMo, to audit the Consolidated Public Water Supply District #4 of Clinton County, Missouri. The water district engaged Westbrook and Company, P.C., Certified Public Accountants, to audit the water district's financial statements for the years ended June 30, 2009 and 2008. To minimize duplication of effort, we reviewed the report and substantiating working papers of the CPA firm for the year ended June 30, 2008. The audit for the year ended June 30, 2009, was not yet complete at the time of our audit. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2009 and 2008. The objectives of our audit were to:

1. Obtain an understanding of the petitioners' concerns and perform various procedures to determine their validity and significance.
2. Evaluate the water district's internal controls over significant management and financial functions.
3. Evaluate the water district's compliance with certain legal provisions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the water district, as well as certain external parties; and testing selected transactions.

We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. However, providing an opinion on the effectiveness of internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such

an opinion. Abuse, which refers to behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary given the facts and circumstances, does not necessarily involve noncompliance with legal provisions. Because the determination of abuse is subjective, our audit is not required to provide reasonable assurance of detecting abuse.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the water district's management and was not subjected to the procedures applied in our audit of the water district.

The accompanying Management Advisory Report presents our findings arising from our audit of the Consolidated Public Water Supply District #4 of Clinton County, Missouri.



Susan Montee, JD, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits: Alice M. Fast, CPA, CIA, CGFM
Audit Manager: Todd M. Schuler, CPA
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MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

PUBLIC WATER SUPPLY DISTRICT #4 OF CLINTON COUNTY
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

1.	Budgets and Capital Assets
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The water district has not periodically updated its capital improvement plan, does not prepare budgets in accordance with state law, and does not adequately track capital assets.

- A. The capital improvement plan has not been updated, and the amounts budgeted for capital projects in the annual budgets do not coincide with the amounts presented in the capital improvement plan. A 5 year capital improvement plan was prepared in 2006, but has not been updated since, and actual improvements have not occurred as planned. The plan called for projects costing approximately \$3.4 million during the year ended June 30, 2008, and included the proceeds from a lease purchase financing arrangement of \$1.65 million. The majority of these projects have yet to be performed and the lease purchase has not been executed, yet an updated plan has not been prepared showing when these improvements will occur. The annual budgets for the years ended June 30, 2010 and 2009, included approximately \$1.5 million and \$1 million, respectively, for a capital project which was supposed to be done during the year ended June 30, 2008, per the capital improvement plan. This tower project was completed in the fall of 2009 at a total cost of approximately \$1.1 million.

Considering the district has accumulated approximately \$2.4 million in unrestricted cash as of June 30, 2009, it is unclear why the capital improvements set forth in the plan were not kept on schedule.

Capital improvement plans provide a means to continually and effectively monitor and evaluate the progress made in the repair, maintenance, and improvement of the water district's water system throughout the year. The plan should be updated annually based on the progress made and changes in plans for the future.

- B. Budgets do not include information required by state law and no procedures exist to monitor budget to actual activity throughout the year. The budgets for the years ended June 30, 2010 and 2009, did not include a budget message, a general budget summary, beginning available resources and estimated ending available resources, or information regarding the water district's debt. Actual receipts and disbursements for the 2 preceding budget years were only included in the June 30, 2010 budget. Also, because budgets do not include beginning and ending cash balances, the district budgets CD maturities as receipts, which distorts the total amounts. In addition, there is no evidence the Board monitors actual activity as compared to budgeted amounts.

Section 67.010, RSMo, requires the preparation of an annual budget which shall present a complete financial plan for the ensuing budget year. Sections 67.010 to 67.080, RSMo, set specific guidelines for the format, approval, and amendments of the annual budget. A complete budget should include the beginning available resources and a reasonable estimate of the ending available resources. The budget should also include a budget message and comparisons of actual receipts and disbursements for the 2 preceding years. A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific expectations for the water district's operations, and as a means to effectively monitor financial activity. A budget will also assist in setting water rates and informing the public about water district operations and current finances.

- C. The water district does not maintain a list of capital assets, tag its capital assets, or perform physical inventories annually. While the district's annual audit report reflects overall capital asset activity, the district was unable to provide a detailed list of the assets reported by the independent auditor. Assets were not tagged and the current district clerk indicated she is unaware of any physical inventories performed since she started working for the district in September 2008.

To develop appropriate records and procedures for capital assets, the district needs to undertake a comprehensive review of all property owned. Assets should be counted, tagged for specific identification, and recorded by description and serial number in a detailed property ledger at historical cost or estimated historical cost if the original cost is not available. Periodically, physical counts of the assets should be performed and compared to the detailed records. A physical inventory would also help identify outdated, obsolete, or idle assets.

WE RECOMMEND the Board of Directors:

- A. Ensure the capital improvement plan is updated annually.
- B. Prepare annual budgets which contain all information required by state law and periodically monitor budgeted to actual amounts.
- C. Ensure property records are maintained which include all pertinent information for each asset such as tag number, description, cost, acquisition date, location, and subsequent disposition. These property records should be compared to the water district's insurance coverage. The water district should also properly tag, number, or otherwise identify all applicable water district property and conduct an annual physical inventory.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *Capital improvements are being updated by the new management.*
- B. *Future budgets will be prepared according to Section 67.010, RSMo.*
- C. *While this is not required by state law, a program will be implemented in the future to make such records.*

2. Closed Meetings and Passwords

Procedures for conducting and documenting closed meetings are not in compliance with state law. In addition, computers are not password protected.

- A. The Board's procedures for closing meetings are not in compliance with state law and minutes of closed meetings are not maintained as required. Numerous closed sessions were held and typically the open session minutes indicated the meeting was being closed, but did not disclose the reason or the vote to close the meeting. Minutes were not maintained for any closed sessions held by the Board in recent years.

The Sunshine Law, Chapter 610, RSMo, allows the Board to discuss certain subjects in closed meetings. The Sunshine Law requires that before any meeting may be closed, the question of holding the closed meeting and the reason for the closed meeting shall be voted on at an open session. In addition, this law requires minutes be maintained for all closed sessions.

- B. The water district computers are not password protected. User identifications and passwords have not been established for use by the water district clerks. The lack of an effective system of user identifications and passwords may allow unauthorized access and/or changes to the system. To establish individual responsibility, as well as help preserve the integrity of computer programs and data files, access to information should be limited to authorized individuals through the use of unique user identifications and passwords assigned to each user of a system. These should be kept confidential and passwords should be changed periodically to help limit unauthorized access to computer files.

WE RECOMMEND the Board of Directors:

- A. Ensure open session minutes document the vote to go into closed session and state the reasons for going into closed session. In addition, minutes should be maintained for closed sessions in accordance with state law.

- B. Establish procedures to restrict access to computer files, including the use of unique user identifications and passwords for authorized individuals.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *Specific reasons for closed sessions are currently being documented. Requirements set forth by the State of Missouri will be followed.*
- B. *Computer passwords have been established, assigned, and are currently being used.*

3. Water Maintenance Contract

Duties of the maintenance contractors (current and former) are not adequately detailed in the contracts, and the current terms of the contracts are not monitored for compliance. In addition, an analysis of the proposals solicited for these services has not been performed to determine the best and lowest cost proposal and some proposals solicited by contractors were not retained.

Per the contract, the current maintenance contractor is to respond to Water Board requests and customer concerns, read meters, disconnect and reconnect meters, coordinate annual tower inspections, and perform other duties as necessary for a base amount of \$12,500 each month. The contract allows for additional charges above the contract fee for various duties performed, such as handling Missouri One Calls (locate lines), meter sets, and any additional work required. The contractor is also required to keep written daily records which are to be summarized and presented to the Board at the monthly meetings.

The former contractor resigned in September 2008, and the current contractor started immediately after and was officially awarded the contract in October 2008. The table below lists the breakdown of maintenance contractor charges totaling approximately \$444,000 by contract period.

<u>Period</u>	<u>Contract</u>	<u>Additional Charges</u>	<u>Total</u>
July 2007 to June 2008	\$131,940	101,888	233,128
July 2008 to September 2008	23,832	23,312	47,144
October 2008 to June 2009	123,081	40,735	163,816

- A. The water district maintenance contracts are not adequately detailed and bills are not monitored by district personnel for compliance with contract terms. Our review of the contracts and additional bills from the former contractor indentified the following concerns.

- The water district was billed \$2,055 by the former maintenance contractor from October 2007 to July 2008 to repair damages to the water district water lines by outside contractors. This figure does not include water lost. The water district does not maintain a record of who caused the damages, if and when the contractors who damaged the lines were billed for the repairs, and if the damages were reimbursed to the water district. The contracts state the maintenance contractor is required to coordinate and supervise repair work when using an outside specialty contractor. The maintenance contractor is responsible for final inspection and approval. Based on the contract language, it appears these damages should have been identified and repaired by the outside contractors at no cost to the district.
- A short side meter set in July 2008 by the former contractor was billed \$1,050 for materials, \$192 for labor, and \$576 for backhoe, for a total cost of \$1,818. The contract amount for labor and equipment for short side meter sets is \$390, approximately half the \$768 charged. For the previous 17 short sided meter sets performed by the former contractor, the average cost of materials was \$470 and the total cost was \$860.
- The former contractor billed 38 hours of labor in August 2008 at \$56.84 per hour (\$2,160 total), rather than \$32 per hour as stated in the contract. This resulted in an overbilling of \$944 by the former contractor.
- The former contractor billed \$122 in August 2008 to inspect a customer's meter pit, which appears to be part of the normal duties of the contract and not a billable add-on.
- The former contractor billed a total of \$480 for labor to oversee the completion of a pipeline crossing including 6 hours at \$32 and 6 supervisor hours at \$48 on November 11, 2007. The contract with the district does not include a supervisory rate. In addition, coordinating work by outside contractors is part of the base duties of the contract and does not appear to be an allowable add-on.

Considering the amount the district pays the contractor to maintain the system, the Board of Directors needs to adequately monitor the activities of the maintenance contractor and bills submitted for additional work performed to ensure compliance with the contract.

- B. Concerns were identified with the request for proposals of the prior and current maintenance contracts. While there is evidence in the minutes that proposals were solicited when awarding the previous maintenance contract, the actual proposals were not available. The minutes indicate some discussion was held regarding which was the best proposal, but no documentation or analysis was provided to support the decision made by the Board. Proposals submitted in

October 2008, when the current contractor was selected, were maintained, but documentation was not provided to support the selection of the contractor. The proposals contained various factors, including a base monthly price, and additional amounts for locating lines, shut-off's, meter sets, hourly equipment charges, etc. The selected contractor's monthly charge was \$12,500, whereas another proposal submitted had a monthly charge of \$11,500. While each bidder was interviewed by the Board, no analysis was provided to support how the district determined which proposal to accept and the minutes only indicate the contract was awarded.

To ensure maintenance services are obtained at the best and lowest cost, documentation of the analysis of proposals submitted should be prepared and retained. Actual proposals should be retained to help support decisions made by the Board.

WE RECOMMEND the Board of Directors:

- A. More closely evaluate the bills submitted by the maintenance contractor to ensure compliance with the contract.
- B. Develop a method for analyzing proposals solicited for maintenance services and ensure all proposals, as well as documentation of the analysis, are retained.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *The current board will be updating policies and implementing procedures on maintenance work.*
- B. *Proposals will be analyzed and documented per district policy.*

4. Water System Accounting Controls and Procedures

There is no documentation to support how the connection fee was determined, adjustments to accounts are not approved by the Board, and procedures for delinquent and late accounts are not followed.

- A. The water district does not have documentation of how the new connection fee charged to customers was determined. Customers are required to pay a non-refundable \$2,500 connection fee when hooking in to the system. This fee covers the cost of connecting the customer to the system, as well as a connection fee of \$880 charged by the City of Plattsburg for new connections in the district. New meter sets are done by the maintenance contractor for the district. The average cost of a new meter set was approximately \$925 for the meter sets performed

during the 2 years ended June 30, 2009. The \$880 due to the city of Plattsburg is paid by the district from the \$2,500 fee, for a total average cost to the district of approximately \$1,805, which is substantially below the \$2,500 charged.

Fees charged to customers for connections should be determined based on average costs of these connections, as well as other fees required. Without documentation for how this fee is determined, it is unclear whether customers are being overcharged for connections.

- B. The District Clerk currently makes adjustments to customer accounts without approval by the Board. Customers who experience higher than normal bills are allowed to have an adjustment computed based on average water usage over the past year. The customer is credited with the adjustment amount and billed the new amount. The amount of the adjustment is computed by the District Clerk and is not approved by the Board.

To ensure adjustments to customer accounts are computed properly and are authorized, procedures should be established for the Board's review of all adjustments to accounts.

- C. The water district does not follow procedures in place for delinquent and late accounts. District policy provides for a late payment penalty of 5 percent on the balance due, with disconnection after the first of the month if payment is not received. The district also does not follow its policy for shut-offs. The former Board authorized the write off of cumulative bad debts of approximately \$37,000 in June 2007, representing 138 accounts. Of the 138 accounts, 25 had balances due over \$500, and of those, 3 were over \$1,000 delinquent. Had these customers had their service disconnected in accordance with district policy, it is unlikely these delinquent accounts would have been so high. As of February 24, 2010, the delinquent amount totaled approximately \$2,400, with several accounts delinquent more than \$250. In addition, the district has granted payment plans in isolated circumstances. Approval for these arrangements is not received from the Board and the district has no policy established indicating when payment plans are allowable.

To ensure customers are treated fairly and consistently, established policies for delinquent accounts should be followed. If payment plans are deemed necessary, the Board should amend its policy to establish payment plan procedures.

WE RECOMMEND the Board of Directors:

- A. Review connection fees to ensure they approximate actual costs of connecting to the system and maintain documentation to support how the fee is determined.
- B. Require either supervisory or independent review of adjustments made to water customer accounts.

- C. Ensure compliance with procedures in place for delinquent and late accounts and develop policies for payment extensions and/or installment payment agreements.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *Revenue from meter setting also covers upgrades and expansion of the system and documentation of how this fee is determined will be maintained in the future.*
- B. *The district has always had an adjustment policy in place, which is enforced by office personnel. This policy will be amended to require monthly approval of all adjustments by the Board.*
- C. *Delinquent accounts will fall under the guidelines listed in the district policies and procedures.*

5.	Disbursements
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The water district does not solicit bids and/or retain documentation for some major purchases, proposals are not solicited for some professional services, and evaluation and selection of engineering services is not documented.

- A. The district has not adopted a formal bid policy. As a result, the water district did not solicit bids and/or retain bid documentation for some major purchases.

Good/Service	Amount
Meter technology	\$162,180
Water tower repair	27,100
Water district insurance	7,600

Formal procurement procedures provide a framework for the economical management of resources of the water district and help ensure the water district receives fair value in its contracts and that all parties are given an equal opportunity to participate in the business of the water district. Bids can be handled by telephone quotation, by written quotation, by sealed bid, or by advertised sealed bid. Various approaches are appropriate, based on dollar amount and type of purchase. No matter which approach is used, complete documentation should be maintained of all bids/proposals received and reasons noted why the bid/proposal was selected.

- B. Proposals are not periodically solicited for some professional services contracted by the district. For the years ended June 30, 2009 and 2008, the water district paid \$6,965 and \$7,100, respectively, to an independent audit firm for the annual audits of the water district's financial statements. The water district has used the

same firm for several years and has not periodically solicited proposals for audit services. In addition, the water district has used the same engineering firm the past several years and has not documented its evaluation and selection of engineering services. During the years ended June 30, 2009 and 2008, the water district paid \$55,911 and \$44,775, respectively, for engineering services.

It is good business practice to periodically solicit proposals for such services and select the best proposal based on cost, experience, the type of service to be provided, and any other relevant factors. Complete documentation should be maintained of all proposals received and reasons for selecting the winning proposal. In addition, Sections 8.285 to 8.291, RSMo, provide guidance on the selection of engineering services.

WE RECOMMEND the Board of Directors:

- A. Adopt formal bidding policies and procedures, and ensure bids are solicited for all major purchases and all related bid documentation is retained, including documentation of the Board's decisions for selecting the winning bidder.
- B. Ensure professional services are obtained through a competitive selection process and documentation of the process is maintained. Evaluation and selection of engineering services should be documented.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *In some situations there is only one reliable source for specialized services and/or equipment available for the board for consideration.*
- B. *The current board will ensure that requirements under section 8.291, RSMo for all non-emergency professional services will be followed.*

6. Payroll and Personnel Policies
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The Board of Directors does not adequately monitor payroll disbursements and personnel policies and as a result, some former employees were paid not in compliance with district policies. Timesheets are not reviewed for accuracy by the Board and vacation leave, sick/personal leave, and compensatory time earned and used is not tracked by the district.

- A. Two former District Clerks were overpaid upon their resignations in 2008, and these separation payments were not reviewed by the Board.
 - The former District Clerk and Deputy District Clerk were paid for unused vacation and sick/personal leave, although these payments were not

authorized by personnel policies. Upon resignation in September 2008, the former Deputy District Clerk was paid for 105 hours of vacation and sick pay, totaling \$1,207, and the former District Clerk was paid for 32 hours of vacation and sick pay totaling \$431. District policy does not allow for payment of unused vacation leave and the sick leave policy states only employees who are employed as of December 31 will receive payment for unused sick leave.

- The former District Clerk, upon resignation, received \$1,370 as a prorated portion of the yearly incentive payment approved previously by the Board. A payment was established as a continuing employment incentive for this employee only, if she was still employed by the district at year end. While this incentive was discussed and approved in a meeting and documented in the minutes, the Board did not formally establish this incentive as part of this employee's pay plan. In addition, the former District Clerk was not entitled to the incentive as she was not employed at year end.

To ensure payroll disbursements are proper and in accordance with established personnel policies, employee payments should be reviewed by a member of the Board.

- B. Timesheets are prepared by employees; however, timesheets are not signed by the employee and do not indicate review and approval by the supervisor.

Properly completed timesheets showing actual hours worked each day by function or activity and time taken off, along with the employee's and supervisor's signatures, are necessary to ensure payroll expenditures are proper.

- C. Water district employees working over 40 hours a week are awarded compensatory time at straight time and adequate records of vacation, sick, and compensatory leave are not maintained. In addition, individual leave balances for employees are not adequately maintained. The water district needs to ensure its procedures for awarding compensatory leave/overtime are in compliance with the Fair Labor Standards Act of 1938 (FLSA) by awarding time and a half for hours worked in excess of 40 hours in a work week for nonexempt employees. Adequate leave records are necessary to ensure payments and balances are accurately calculated. The failure to properly compensate employees could result in claims for back pay and/or fines against the district.

WE RECOMMEND the Board of Directors:

- A. Ensure all payroll disbursements are valid and authorized by personnel policies and that leave is earned in accordance with these policies. Any exceptions should be clearly approved by the Board.
- B. Require timesheets be signed by the employee and approved by the supervisor.

- C. Ensure procedures for awarding compensatory/overtime are in compliance with the FLSA and adequate leave records are maintained.

AUDITEE'S RESPONSE

The Board of Directors provided the following written responses:

- A. *The current board is aware of the approvals/actions taken by the previous board in 2008 and will not permit the same actions in the future.*
- B. *Timesheets for office personnel are currently being filled out and authorized.*
- C. *Time cards and computer spreadsheets are currently being used to record overtime/compensatory time as required by the Fair Labor Standards Act.*

HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION

**HISTORY, ORGANIZATION, AND
STATISTICAL INFORMATION**

The Consolidated Public Water Supply District #4 of Clinton County was incorporated on August 1, 2004, and serves 2011 customers in Clinton, Clay, Caldwell and Ray Counties.

The Board of Directors consists of five members representing the five sub-districts who serve three-year terms. The board elects a President and Vice-President from the board membership. The board members serve without compensation. The Board of Directors and other principal officials are identified below.

Elected Officials	Dates of Service During the 2 Years Ended June 30, 2009
James Gorham-Sub-District #1, President	July 2007 – June 2009
Jerry Archer-Sub-District #4, Vice President (1)	May 2008 – June 2009
Billie Wichman-Sub-District #4	July 2007 – April 2008
Larry Golubski-Sub-District #2	May 2009 – June 2009
James Gerling-Sub-District #2	July 2007 – April 2009
Jeff Streeter-Sub-District #3	May 2009 – June 2009
Dan Snodgrass-Sub-District #3 (2)	July 2007 – September 2008
Russell Bumgarner-Sub-District #5 (3)	May 2008 – May 2009
Rick Carlson-Sub-District #5	July 2007 – April 2008

- (1) Resigned in March 2010 and this position remains vacant.
- (2) Resigned in September 2008 and was replaced by Jeff Streeter who won the April 2009 election.
- (3) Resigned in May 2009 and was replaced by James Sondag in September 2009.

The district's other officials during the 2 years ended June 30, 2009, are identified below. The compensation of these officials is established by the district.

Other Officials	Dates of Service During the 2 Years Ended June 30, 2009	Compensation Paid for the Year Ended June 30,2009	Compensation Paid for the Year Ended June 30,2008
Laurie Ahart, District Clerk	September 2008–June 2009	\$ 21,677	0
Kristi Chaney, District Clerk	July 2007 –September 2008	6,965	0
Vickie Shelor, Assistant District Clerk	October 2008 – June 2009	16,314	29,332
Linda Gold, Assistant District Clerk	January 2007 – September 2008	5,255	23,412
Mark A. Hubbard, District Attorney	June 2008 - June 2009	12,736	6,600
William G. McCaffrey, District Attorney	July 2007 – June 2008	0	1,185