

**CITY OF BALTIC - SOUTH DAKOTA
INTERNAL CONTROLS**

- 1) Classification of Employees
 - a. Finance Officer
 - b. Assistant Finance Officer
 - c. Public Works Director
 - d. Assistant Public Works Laborer
 - e. Seasonal Public Works Laborer

Internal Controls: Due to the size of the municipality the separation of duties to meet the guidelines of the OMB Circular A-133 are not met. The following are the internal controls used by the City of Baltic:

- a. The Assistant Finance Officer handles a majority of the incoming money through the Utility Billing (Water, Sewer, Garbage) fees. In 2025, approximately 29% of the 526 utility accounts have direct deposits of their bills; which reduces some of the money handled by the office. The money is deposited into the bank by the Asst. Finance Officer, and the Finance Officer enters the receipt information, and reviews the utility accounts monthly. The majority of the additional money (sales tax, county taxes) is deposited directly into the City's bank accounts by the County & State; receipted by the Finance Officer.
- b. *Payroll* – The Finance Officer prepares payroll and Council reviews each payroll report (periodically cross-checks time cards to report) – Mayor & Council initial and approve in Claims Payable at each monthly meeting–checks are given to those to opt out of ACH into employee's accounts.
- c. *Vendor checks* are written monthly after being reviewed & approved by the City Council. The City Council is given a report of all receipts and checks written monthly along with a list of bank accounts with their balance – this information is presented in the form of a Finance Report on a monthly basis. The Council also receives a Monthly Budget Report.

Brian McGreevy, Interim Mayor/Council President

Lacey Harrington, Finance Officer

Adopted February 11, 2025