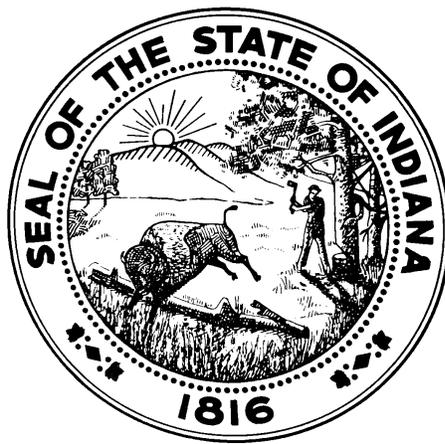


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
ROCKFIELD REGIONAL SEWER DISTRICT  
CARROLL COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
10/29/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Steven W. Goodrich	01-01-06 to 12-31-08
President of the Board	Terry Nipple	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF ROCKFIELD REGIONAL SEWER DISTRICT, CARROLL COUNTY, INDIANA

We have examined the financial information presented herein of Rockfield Regional Sewer District (District), for the period of January 1, 2006 to December 31, 2007. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion 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 information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

October 8, 2008

ROCKFIELD REGIONAL SEWER DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
PROPRIETARY FUNDS  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Proprietary Funds:				
Operating	\$ 5,952	\$ 77,482	\$ 73,824	\$ 9,610
Bond and Interest	30,077	27,118	30,077	27,118
Debt Reserve	1,303	5,446	-	6,749
Audit Account	-	2,000	-	2,000
Improvement	10,000	15,447	13,986	11,461
Totals	<u>\$ 47,332</u>	<u>\$ 127,493</u>	<u>\$ 117,887</u>	<u>\$ 56,938</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Proprietary Funds:				
Operating	\$ 9,610	\$ 80,259	\$ 80,815	\$ 9,054
Bond and Interest	27,118	27,893	27,118	27,893
Debt Reserve	6,749	2,790	-	9,539
Audit Account	2,000	493	2,000	493
Improvement	11,461	19,394	17,667	13,188
Totals	<u>\$ 56,938</u>	<u>\$ 130,829</u>	<u>\$ 127,600</u>	<u>\$ 60,167</u>

The accompanying notes are an integral part of the financial information.

ROCKFIELD REGIONAL SEWER DISTRICT  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides sewer services to the residents.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes the District 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.

ROCKFIELD REGIONAL SEWER DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

General infrastructure assets completed in the current and prior years have been reported.

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Sewer District:	
Capital assets, not being depreciated:	
Land	\$ 30,165
Construction in progress	-
Buildings	634,000
Improvements other than buildings	<u>1,147,335</u>
Total Sewer District capital assets	<u>\$ 1,811,500</u>

ROCKFIELD REGIONAL SEWER DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type Activities:		
Sewer District		
USDA Loan Payable	\$ 486,500	\$ 27,893

ROCKFIELD REGIONAL SEWER DISTRICT  
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS

The following prescribed or approved forms were not in use. The alternate forms being used had not been approved by the State Board of Accounts:

Simplified Cash Journal - Municipal Sewage Utility, Form 323  
Mileage Claim, Form 101  
Consumer's Ledger - Municipal Sewage Utility, Form 324

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 Special Districts, Chapter 10)

All governmental units are required by law to use the forms prescribed by this department; however, if it is desirable to use a different form or to have a prescribed form modified to conform for computer applications, a letter and three copies of the proposed form may be submitted to the State Board of Accounts for approval. No form should be printed and placed into use, other than a prescribed form, without prior approval. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Federal payroll tax reports 941, W-3 and W-2 for 2006 failed to include \$116 of compensation paid to the District Treasurer.

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)

ADDITIONAL COMPENSATION

The District paid the District Treasurer compensation in excess of the amount established in the salary schedule in 2006 and 2007. These payments were classified as reimbursement of "lost time" incurred at his full-time job when his District position required him to miss work.

Compensation in excess of the amounts established in the salary schedules for 2006 and 2007 totaled \$116.00 and \$249.70, respectively.

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. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 14)

On October 8, 2008, Steven W. Goodrich reimbursed the District \$365.70 for these excess payments. (See Summary, page 10)

ROCKFIELD REGIONAL SEWER DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on October 8, 2008, with Steven W. Goodrich, Treasurer. The official concurred with our findings.

ROCKFIELD REGIONAL SEWER DISTRICT  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Steven W. Goodrich, Treasurer:			
Additional Compensation, page 8	\$ 365.70	\$	\$
Received from Steven W. Goodrich on October 8, 2008	<u>                    </u>	365.70	<u>                    </u> -
Totals	<u>\$ 365.70</u>	<u>\$ 365.70</u>	<u>\$</u> -