

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

EXAMINATION REPORT

OF

LAURAMIE TOWNSHIP REGIONAL SEWER DISTRICT

TIPPECANOE COUNTY, INDIANA

January 1, 2008 to December 31, 2009



**FILED**  
08/16/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	William J. Easterbrook	01-01-08 to 12-31-10
President of the Board	William J. Easterbrook	01-01-08 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF LAURAMIE TOWNSHIP REGIONAL  
SEWER DISTRICT, TIPPECANOE COUNTY, INDIANA

We have examined the financial information presented herein of Lauramie Township Regional Sewer District (District), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

June 21, 2010

LAURAMIE TOWNSHIP REGIONAL SEWER DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL PROPRIETARY FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Proprietary Funds:				
Operating	\$ 9,812	\$ 144,365	\$ 146,016	\$ 8,161
Bond and Interest	23,323	38,285	38,465	23,143
Debt Service Reserve	15,602	3,900	-	19,502
Construction	10,722	-	4,741	5,981
	<u>59,459</u>	<u>186,550</u>	<u>189,222</u>	<u>56,787</u>
Totals	<u>\$ 59,459</u>	<u>\$ 186,550</u>	<u>\$ 189,222</u>	<u>\$ 56,787</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Proprietary Funds:				
Operating	\$ 8,161	\$ 132,560	\$ 147,831	\$ (7,110)
Bond and Interest	23,143	38,925	38,105	23,963
Debt Service Reserve	19,502	3,900	-	23,402
Construction	5,981	-	5,981	-
	<u>56,787</u>	<u>175,385</u>	<u>191,917</u>	<u>40,255</u>
Totals	<u>\$ 56,787</u>	<u>\$ 175,385</u>	<u>\$ 191,917</u>	<u>\$ 40,255</u>

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

LAURAMIE TOWNSHIP 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 the following services: wastewater treatment, and general administrative services.

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.

LAURAMIE TOWNSHIP REGIONAL SEWER DISTRICT  
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Operating Fund was overdrawn as of December 31, 2009.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$25.21 were paid to the Indiana Department of Revenue for July and November 2009 reporting periods.

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 Special Districts, Chapter 10)

SALES TAX

Sales tax is routinely paid on utility bills and other purchases for the District.

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 Special Districts, Chapter 10)

ORDINANCES AND RESOLUTIONS

The District has an ordinance establishing rates for Wastewater Services. The District has increased those rates twice but has not updated their ordinance.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

CONTRACTS

Payments were made to Mildred McDole and Sharon K. Need for rights to drive on their properties. No contract was presented for examination.

Payments made or received for contractual services should be supported by a written contract. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

LAURAMIE TOWNSHIP REGIONAL SEWER DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on June 21, 2010, with William J. Easterbrook, District President and Fiscal Officer; and Thomas L. Osborn, Board member. The officials concurred with our findings.