

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

EXAMINATION REPORT
OF
TURKEY CREEK REGIONAL SEWER DISTRICT
KOSCIUSKO COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/15/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Office Manager	Pamela M. Johns	01-01-08 to 12-31-10
Superintendent	Timothy Woodward	01-01-08 to 12-31-10
Treasurer	James M. Evans	01-01-08 to 12-31-10
President of the Board	Larry R. Clodfelter Rex Heil	01-01-08 to 12-31-08 01-01-09 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TURKEY CREEK REGIONAL
SEWER DISTRICT, KOSCIUSKO COUNTY, INDIANA

We have examined the financial information presented herein of the Turkey Creek 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 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

August 31, 2010

TURKEY CREEK 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:				
Wastewater Utility:				
Operating	\$ 915,300	\$ 889,662	\$ 824,662	\$ 980,300
Bond and Interest	437,593	2,041,991	2,040,503	439,081
Improvement	229,350	525,216	620,206	134,360
Buttermilk Dedicated	38,338	1,208	-	39,546
Water Utility:				
Operating	41,010	53,089	53,566	40,533
Customer Security Deposit	5,200	200	-	5,400
Totals	<u>\$ 1,666,791</u>	<u>\$ 3,511,366</u>	<u>\$ 3,538,937</u>	<u>\$ 1,639,220</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Proprietary Funds:				
Wastewater Utility:				
Operating	\$ 980,300	\$ 807,626	\$ 807,626	\$ 980,300
Bond and Interest	439,081	527,716	529,684	437,113
Improvement	134,360	578,631	565,735	147,256
Buttermilk Dedicated	39,546	1,559	-	41,105
Water Utility:				
Operating	40,533	55,571	59,874	36,230
Customer Security Deposit	5,400	450	200	5,650
	<u>\$ 1,639,220</u>	<u>\$ 1,971,553</u>	<u>\$ 1,963,119</u>	<u>\$ 1,647,654</u>

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

TURKEY CREEK REGIONAL SEWER DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Turkey Creek Regional Sewer District (District) was established pursuant to Indiana Code 8-1-2-83. The District is governed by a Board of Trustees, and provides the following services: water and wastewater utilities.

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.

TURKEY CREEK REGIONAL SEWER DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
December 31, 2009

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 199,444
Buildings	837,118
Improvements other than buildings	15,465,467
Transportation equipment	48,790
Machinery and equipment	<u>2,064,957</u>
Total Wastewater Utility capital assets	<u>18,615,776</u>
Water Utility:	
Capital assets, not being depreciated:	
Land	27,540
Buildings	232,805
Improvements other than buildings	242,616
Machinery and equipment	<u>149,996</u>
Total Water Utility capital assets	<u>652,957</u>
Total business-type activities capital assets	<u>\$ 19,268,733</u>

TURKEY CREEK REGIONAL SEWER DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Notes and loans payable:		
State Revolving Loan	\$ 2,361,022	\$ 196,105
Revenue bonds:		
Refunding Revenue Bonds of 2004	335,000	230,670
Sewage Works Revenue Bonds of 2008	<u>1,605,000</u>	<u>91,158</u>
 Total Wastewater Utility	 <u>\$ 4,301,022</u>	 <u>\$ 517,933</u>

TURKEY CREEK REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2010, with Rex Heil, President of the Board of Trustees; and Pamela M. Johns, Office Manager. Our examination disclosed no material items that warrant comment at this time.