

B38247

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

EXAMINATION REPORT
OF
HELMER REGIONAL SEWER DISTRICT
STEUBEN COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
01/05/2011

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OFFICIALS

Office

Official

Term

Secretary/Treasurer

Gary Simpson
Susan J. Culler

01-01-07 to 03-12-07
03-13-07 to 12-31-10

President of the Board
of Trustees

Rocky Boyer
Gary Simpson

01-01-07 to 12-31-07
01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE HELMER REGIONAL SEWER DISTRICT, STEUBEN COUNTY, INDIANA

We have examined the financial information presented herein of the Helmer Regional Sewer District (District), for the period of January 1, 2007 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, 2007, 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

December 6, 2010

HELMER 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, 2007, 2008, And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Proprietary Funds:				
Operating	\$ 994	\$ 17,975	\$ 18,712	\$ 257
Bond and Interest Fund	4,853	8,400	7,200	6,053
Debt Service Fund	11,581	1,297	-	12,878
Totals	<u>\$ 17,428</u>	<u>\$ 27,672</u>	<u>\$ 25,912</u>	<u>\$ 19,188</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Proprietary Funds:				
Operating	\$ 257	\$ 19,524	\$ 18,365	\$ 1,416
Bond and Interest Fund	6,053	8,400	7,100	7,353
Debt Service Fund	12,878	1,238	-	14,116
Totals	<u>\$ 19,188</u>	<u>\$ 29,162</u>	<u>\$ 25,465</u>	<u>\$ 22,885</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Proprietary Funds:				
Operating	\$ 1,416	\$ 22,332	\$ 22,068	1,680
Bond and Interest Fund	7,353	8,400	7,975	7,778
Debt Service Fund	14,116	1,067	-	15,183
Totals	<u>\$ 22,885</u>	<u>\$ 31,799</u>	<u>\$ 30,043</u>	<u>\$ 24,641</u>

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

HELMER 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 removal services to unincorporated areas around Helmer and Hudson Indiana in Steuben County.

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.

HELMER REGIONAL SEWER DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Capital assets, not being depreciated:	
Land	\$ 18,181
Buildings	69,049
Improvements other than buildings	432,772
Machinery and equipment	<u>3,267</u>
 Total business-type activities capital assets, not being depreciated	 <u><u>\$ 523,269</u></u>

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

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Wastewater Utility:		
Revenue bonds:		
1990 Sewage works expansion	\$ <u>98,000</u>	\$ <u>7,900</u>

HELMER REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS

FAILURE TO SUBMIT ANNUAL REPORT ELECTRONICALLY

The District did not submit their 2009 Annual Report electronically to the State Board of Accounts.

IC 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were incorrect from 2007-2009 due to posting errors.

IC 5-13-6-1(e) states in part:

"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

HELMER REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 6, 2010, with Gary Simpson, President of the Board of Trustees; and Susan J. Culler, Secretary/Treasurer. The officials concurred with our findings.