



STATE OF INDIANA
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July 14, 2016

TO: THE OFFICIALS OF THE LAWRENCEBURG CONSERVANCY
DISTRICT, DEARBORN COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Lawrenceburg Conservancy District (District), for the period of January 1, 2010 to December 31, 2015, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Our procedures were designed solely to satisfy the requirements of Indiana Code 5-11-1. Because our procedures were not designed to opine on the District's financial statement, we did not follow auditing standards generally accepted in the United States of America. Accordingly, we do not express an opinion on any basic financial statement of the District.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The District's Annual Financial Reports filed for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/. For years 2011 and later, the Annual Financial Reports filed by the District can be found on the Gateway website: <https://gateway.ifionline.org/>.

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Current Period Comments

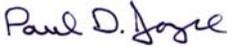
- *The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks. The back side or endorsement side of the checks was not returned.*
- *The Annual Financial Report filed on Gateway for 2011, 2012, 2013, 2014, and 2015 contained a number of errors and did not agree to the District's ledger as follows:*

Years	Fund	Category	Amount Per Gateway	Amount Per Ledger	Difference
2011	CD Checking - Riverboat	Receipts	\$ 1,725,143.73	\$ 6,325,143.73	\$(4,600,000.00)
2011	CD Checking - Riverboat	Ending Balance	796,435.89	5,396,435.89	(4,600,000.00)
2011	Cum Cap & Maint CD - Riverboat	Disbursements	-	4,600,000.00	(4,600,000.00)
2011	Cum Cap & Maint CD - Riverboat	Ending Balance	26,100,000.00	21,500,000.00	4,600,000.00
2012	CD Checking - Riverboat	Beginning Balance	796,435.89	5,396,435.89	(4,600,000.00)
2012	CD Checking - Riverboat	Disbursements	580,015.00	5,180,020.00	(4,600,005.00)
2012	Cum Cap & Maint CD - Riverboat	Beginning Balance	26,100,000.00	21,500,000.00	4,600,000.00
2012	Cum Cap & Maint CD - Riverboat	Receipts	-	3,180,000.00	(3,180,000.00)
2012	Cum Cap & Maint CD - Riverboat	Ending Balance	26,100,000.00	24,680,000.00	1,420,000.00
2012	Payroll	Beginning Balance	78.17	494.14	(415.97)
2012	Payroll	Ending Balance	8,416.95	8,832.91	(415.96)
2012	Investment Account/Saxon	Receipts	4,150,634.14	4,150,864.82	(230.68)
2012	Investment Account/Saxon	Ending Balance	6,125,475.42	6,125,706.37	(230.95)
2013	CD Checking - Riverboat	Beginning Balance	622,328.88	622,323.88	5.00
2013	CD Checking - Riverboat	Disbursements	5.00	-	5.00
2013	Cum Cap & Maint CD - Riverboat	Beginning Balance	26,100,000.00	24,680,000.00	1,420,000.00
2013	Cum Cap & Maint CD - Riverboat	Disbursements	-	7,000,000.00	(7,000,000.00)
2013	Cum Cap & Maint CD - Riverboat	Ending Balance	32,100,000.00	23,680,000.00	8,420,000.00
2013	Payroll	Beginning Balance	8,416.95	8,832.91	(415.96)
2013	Payroll	Receipts	472,138.91	471,722.95	415.96
2013	UCB - Riverboat	Beginning Balance	2,663,893.79	2,663,866.49	27.30
2013	UCB - Riverboat	Receipts	4,830.16	4,857.46	(27.30)
2013	Investment Account/Saxon	Beginning Balance	6,125,475.42	6,125,706.10	(230.68)
2013	Investment Account/Saxon	Receipts	884,098.52	2,883,867.84	(1,999,769.32)
2013	Investment Account/Saxon	Ending Balance	5,340,963.74	7,340,963.74	(2,000,000.00)
2014	CD Checking - Riverboat	Beginning Balance	2,254,287.90	1,127,143.95	1,127,143.95
2014	CD Checking - Riverboat	Disbursements	-	1,320,000.00	(1,320,000.00)
2014	CD Checking - Riverboat	Ending Balance	2,668,048.04	220,904.09	2,447,143.95
2014	Cum Cap & Maint CD - Riverboat	Beginning Balance	32,100,000.00	23,680,000.00	8,420,000.00
2014	Cum Cap & Maint CD - Riverboat	Receipts	-	320,000.00	(320,000.00)
2014	Cum Cap & Maint CD - Riverboat	Ending Balance	32,100,000.00	24,000,000.00	8,100,000.00
2014	Payroll	Receipts	465,520.63	489,900.06	(24,379.43)
2014	Payroll	Disbursements	464,242.50	488,621.93	(24,379.43)
2014	Investment Account/Saxon	Beginning Balance	5,340,963.74	7,340,963.74	(2,000,000.00)
2014	Investment Account/Saxon	Receipts	2,355,087.55	355,087.55	2,000,000.00
2015	Payroll	Beginning Balance	9,785.68	9,150.47	635.21
2015	Payroll	Receipts	486,730.36	487,365.77	(635.41)
2015	Payroll	Disbursements	490,759.09	490,108.59	650.50
2015	Payroll	Ending Balance	5,756.95	6,407.65	(650.70)
2015	Investment Account/Saxon	Disbursements	261,065.59	282,137.75	(21,072.16)
2015	Investment Account/Saxon	Ending Balance	6,511,840.51	6,490,768.35	21,072.16

- Several payments for expenses were observed which were paid prior to District Board approval.
- The District did not have a credit card policy approved by the Board.
- The Annual Financial Reports for 2010, 2011, 2012, and 2014 were not filed electronically until March 29, 2011, April 26, 2012, March 21, 2013, and January 15, 2016, which were 28 days, 56 days, 20 days, and 320 days past the due date, respectively.
- Officials did not timely file a Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100-R or its equivalent) with the Indiana State Board of Accounts for 2012. The report was filed on March 21, 2013, which was 49 days past the due date.
- The Form 100-R was inaccurate for 2013 and 2014. The 2013 100-R reported \$2,102 in compensation of two employees more than actually was paid. Also, one employee whose compensation was \$62,655 was not reported on the 2014 100-R.

This letter is intended for the information and use of the governing body and management of the District. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

The contents of this letter were discussed on May 4, 2016, with Deborah K. Biddle, Financial Clerk; David P. Lorey, President of the District Board; and Paul W. Seymour, District Supervisor. Any Official Response attached to this letter was not verified for accuracy.


Paul D. Joyce, CPA
State Examiner