

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

SOUTH DEARBORN REGIONAL SEWER DISTRICT

DEARBORN COUNTY, INDIANA

January 1, 2010 to December 31, 2015



FILED
07/29/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent	William Neyer	01-01-10 to 12-31-16
Treasurer	Richard Knippenberg	01-01-10 to 12-31-16
President of the Board	Randolph Turner	01-01-10 to 12-31-16



STATE OF INDIANA
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TO: THE OFFICIALS OF THE SOUTH DEARBORN REGIONAL
SEWER DISTRICT, DEARBORN COUNTY, INDIANA

This report is supplemental to our examination report of the South Dearborn Regional Sewer District (District), for the period from January 1, 2010 to December 31, 2015. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the District. It should be read in conjunction with our Financial Statements Examination Report of the District, which provides our opinion on the District's financial statements. This report may be found at www.in.gov/sboa/.

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Results and Comments contained herein describe the identified reportable instances of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Examination Results and Comments, incorporated within this report, was not verified for accuracy.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

May 4, 2016

SOUTH DEARBORN REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORTS NOT FILED TIMELY

The Annual Financial Reports for 2011, 2012, 2013, and 2014 were not filed timely. The dates filed and the number of days the report was late were as follows:

Years	Date Filed	Days Late
2011	04-10-12	40
2012	04-11-13	41
2013	03-25-14	24
2014	03-15-15	14

Indiana Code 5-11-1-4(a) 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 in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

FORM 100-R

The District did not file the Certified Report of Names, Addresses, Duties, and Compensation of Public Employees (Form 100-R or its equivalent) timely for the years 2012, 2013, and 2015. The dates filed and the number of days the report was late were as follows:

Years	Date Filed	Days Late
2012	03-17-13	44
2013	02-13-14	12
2015	02-05-14	4

Indiana Code 5-11-13-1 states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts . . . The certification must be filed electronically in the manner prescribed under IC 5-14-3.8-7."

SOUTH DEARBORN REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

ANNUAL FINANCIAL REPORT ERRORS

The Annual Financial Reports for 2010, 2011, 2012, 2013, 2014, and 2015 contained a number of errors and did not match the records of the District. Receipts and disbursements were understated by the following amounts:

Description	Years	Amount Understated
Receipts	2010	\$ 3,087,292
Disbursements	2010	2,387,498
Receipts	2011	338,969
Disbursements	2011	310,884
Receipts	2012	233,376
Disbursements	2012	282,041
Receipts	2013	232,580
Disbursements	2013	297,994
Receipts	2014	228,129
Disbursements	2014	218,361
Receipts	2015	260,479
Disbursements	2015	198,304

Adjustments were proposed, approved by management, and made to the financial statements contained in the Financial Statements Examination Report of the District.

Indiana Code 5-11-1-4(a) 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 in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

SOUTH DEARBORN REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on May 4, 2016, with Richard Knippenberg, Treasurer, and William Neyer, Superintendent.