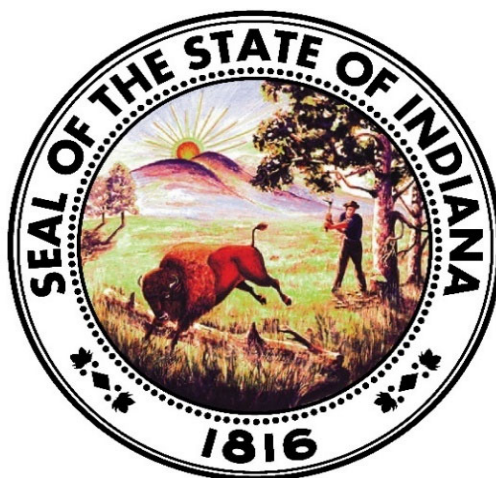


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

COMPLIANCE EXAMINATION REPORT  
OF  
NORTH LAKE CONSERVANCY DISTRICT  
JOHNSON COUNTY, INDIANA  
January 1, 2018 to December 31, 2022



**FILED**  
08/17/2023



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

August 17, 2023

To: The Officials of the North Lake Conservancy District  
North Lake Conservancy District  
700 Graham St.  
Franklin, IN 46131

This report is supplemental to the audit report of the North Lake Conservancy District (District), for the period from January 1, 2018 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Examination Findings that pertain to the District. It should be read in conjunction with the financial statement audit report of the District, which provides an opinion on the District's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the District and perform procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Findings and Results contained herein describe the identified reportable instances of noncompliance found as a result of these procedures.

We have reviewed the Supplemental Audit Report for the North Lake Conservancy District prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2018 to December 31, 2022. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report on page 3.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

NORTH LAKE CONSERVANCY DISTRICT

Johnson County, Indiana  
January 1, 2018 to December 31, 2022

CONTENTS

SCHEDULE OF OFFICIALS .....	1
INDEPENDENT ACCOUNTANT'S REPORT .....	2
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS:	
2022-001: CAPITAL ASSETS .....	3
2022-002: MISSING GATEWAY UPLOADS .....	3
EXIT CONFERENCE .....	4

NORTH LAKE CONSERVANCY DISTRICT  
SCHEDULE OF OFFICIALS  
January 1, 2018 to December 31, 2022

---

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the District Board	Michael Greathouse	01-01-18 to 12-31-22
Treasurer	Janet Alexander	01-01-20 to 12-31-22
	Deborah Shutta	01-01-18 to 12-31-19

## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of the North Lake Conservancy District

We have examined the North Lake Conservancy District ("Unit") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts* during the period January 1, 2018 to December 31, 2022. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Special Districts* applicable to the District during the period January 1, 2018 to December 31, 2022, as described in items 2022-001 through 2022-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the District complied, in all material respects, with the aforementioned requirements during the period January 1, 2018 to December 31, 2022.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
August 1, 2023

NORTH LAKE CONSERVANCY DISTRICT  
SCEDHULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2018 to December 31, 2022

---

**FINDING 2022-001: CAPITAL ASSETS**

**Criteria:** Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual for Special Districts states in part, *“Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value. Capital Asset Ledger (Form 369) has been prescribed for this purpose. A complete physical inventory must be taken at least every two years, unless more stringent requirements exist, to verify account balances carried in the accounting records.”*

**Condition:** During testing of capital assets, we noted the Unit did not have a written policy concerning capital assets and the threshold at which an item is considered a capital asset. We noted the District did not have a listing of its capital assets due to the lack of a written policy to identify the assets.

**FINDING 2022-002: MISSING GATEWAY UPLOADS**

**Criteria:** The Indiana State Board of Accounts (SBOA) Directive 2018-1 states in part, " Beginning with July 2018 files, which will be due September 15, 2018, all cities, towns, townships, libraries, and special districts will use the Upload App to upload files containing financial and governmental unit information on Gateway to allow the State Board of Accounts (SBOA) to conduct audit planning and audit processes prior to on-site work at a unit. This remote process will provide for more efficient data processing and save audit costs for our clients.

The following files and governmental unit information are required to be uploaded monthly by all units:

- Bank Reconcilements, Bank Statements, and Outstanding Check Lists
- Approved Board Minutes, please see the user guide for more information and examples
- Funds Ledger, summarizing total receipts, disbursements, and beginning and ending balances by fund

The following files and governmental unit information are required to be uploaded annually by all units:

- Detail of Receipts for the year
- Detail of Disbursements for the year
- Current year Salary Ordinance (or Schedule)
- Annual Vendor History Report
- Annual Payroll History Report, without social security numbers
- Annual Funds Ledger, summarizing year-to-date total receipts, year-to-date disbursements, and beginning and ending balances by fund

**Condition:** During testing, we noted the Unit did not upload any documents to Gateway during 2018 and 2019. Crowe notes that the lack of uploads occurred under the previous Treasurer and the Unit began uploading all required items in 2020.

NORTH LAKE CONSERVANCY DISTRICT  
EXIT CONFERENCE  
January 1, 2018 to December 31, 2022

---

The contents of this report were discussed on August 1, 2023 with Janet Alexander, Treasurer; Mike Rapp, Board Member; and Mike Crawford, Board Member.