

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF WATERLOO

DEKALB COUNTY, INDIANA

January 1, 2021 to December 31, 2022



FILED

12/14/2023

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Transmittal Letter	3
Clerk-Treasurer:	
Audit Results and Comments:	
Capital Assets	6
Annual Financial Report - Other Information	6
Exit Conference	7

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Renee Duszynski	01-01-21 to 12-31-23
President of the Town Council	David Bolton Jess Jessup (Vacant)	01-01-21 to 06-07-21 06-08-21 to 12-05-23 12-06-23 to 12-06-23
Superintendent of Water Utility	Chris Lalonde	01-01-21 to 12-31-23
Superintendent of Wastewater Utility	Chris Lalonde	01-01-21 to 12-31-23



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF WATERLOO, DEKALB COUNTY, INDIANA

This report is supplemental to the audit report of the Town of Waterloo (Town), for the period from January 1, 2021 to December 31, 2022. It has been provided as a separate report so that the reader may easily identify any Audit Results and Comments that pertain to the Town. It should be read in conjunction with the Financial Statement Audit Report of the Town, which provides our opinions on the Town's financial statement. 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 Audit 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 Audit Results and Comments, incorporated within this report, was not verified for accuracy.

Beth Kelley, CPA, CFE
Deputy State Examiner

December 6, 2023

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CLERK-TREASURER
TOWN OF WATERLOO

CLERK-TREASURER
TOWN OF WATERLOO
AUDIT RESULTS AND COMMENTS

CAPITAL ASSETS

A similar comment also appeared in Report B59273, entitled *CAPITAL ASSETS*.

Condition and Context

The Town did not properly maintain and update a Capital Asset Ledger. The Capital Asset Ledger did not include infrastructure for utilities or the Town. Additions to the Capital Asset Ledger were not made during the audit period. Also, out of the ten capital assets tested by physical observation, one was no longer in the possession of the Town.

Criteria

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. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 1)

ANNUAL FINANCIAL REPORT - OTHER INFORMATION

Condition and Context

Financial and other information are required to be entered annually into the Annual Financial Report via the Indiana Gateway for Government Units (Gateway) financial reporting system. The Town did not provide accurate subsidiary records to support the capital assets reported in Gateway as of December 31, 2022. The Town has determined that the Schedule of Capital Assets will not be presented as Other Information in the Financial Statement Audit Report of the Town.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity 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](#)."

CLERK-TREASURER
TOWN OF WATERLOO
EXIT CONFERENCE

The contents of this report were discussed on December 6, 2023, with Renee Duszynski, Clerk-Treasurer; Ken Surber, Town Council member; Josh Caudill, Town Council member; Greg Iddings, Town Council member; and Pam Howard, Town Manager.