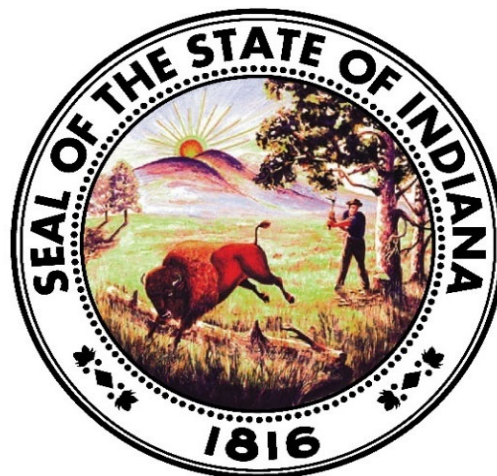


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

COMPLIANCE ENGAGEMENT REPORT
OF
FLORENCE REGIONAL SEWER DISTRICT
SWITZERLAND COUNTY, INDIANA
January 1, 2019 to December 31, 2023



FILED
10/29/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Shannon Jackson Kim Hon-Karst	01-01-19 to 09-12-24 09-13-24 to 12-31-24
President of the District Board	Patrick S. Lyons (Vacant)	01-01-19 to 06-01-24 06-02-24 to 12-31-24



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TO: THE OFFICIALS OF THE FLORENCE REGIONAL SEWER
DISTRICT, SWITZERLAND COUNTY, INDIANA

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Florence Regional Sewer District (District), for the period of January 1, 2019 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the District as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the District's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

The contents of this report were communicated to Kim Hon-Karst, Director, and Vicki Hinman, District Board member, on October 3, 2024.



Beth Kelley, CPA, CFE
Deputy State Examiner

September 19, 2024

FLORENCE REGIONAL SEWER DISTRICT
COMMENTS

No reportable instances of noncompliance.

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH
AND INVESTMENT BALANCES - REGULATORY BASIS

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FLORENCE REGIONAL SEWER DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2019 and 2020

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19	Receipts	Disbursements	Cash and Investments 12-31-20
PAYROLL	\$ 3,245	\$ 148,286	\$ 148,097	\$ 3,434	\$ 155,000	\$ 154,915	\$ 3,519
GENERAL FUND OPERATING	165,033	552,443	526,229	191,247	525,741	496,097	220,891
SEWAGE MAINT & IMPROVEMENT SVGS	397,154	63,943	11,128	449,969	54,441	15,995	488,415
SEWAGE CAPITAL IMPROVEMENT SAVINGS	82,017	39,643	51,900	69,760	39,636	28,918	80,478
SEWAGE SLUDGE FUND SAVINGS	<u>546,205</u>	<u>48,776</u>	<u>-</u>	<u>594,981</u>	<u>48,683</u>	<u>-</u>	<u>643,664</u>
Totals	<u>\$ 1,193,654</u>	<u>\$ 853,091</u>	<u>\$ 737,354</u>	<u>\$ 1,309,391</u>	<u>\$ 823,501</u>	<u>\$ 695,925</u>	<u>\$ 1,436,967</u>

FLORENCE REGIONAL SEWER DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2021 and 2022

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21	Receipts	Disbursements	Cash and Investments 12-31-22
PAYROLL	\$ 3,518	\$ 132,976	\$ 133,282	\$ 3,212	\$ 114,957	\$ 115,713	\$ 2,456
GENERAL FUND OPERATING	220,893	517,783	455,476	283,200	661,756	564,144	380,812
SEWAGE MAINT & IMPROVEMENT SVGS	488,414	56,308	28,379	516,343	120,136	104,219	532,260
SEWAGE CAPITAL IMPROVEMENT SAVINGS	80,478	39,641	4,835	115,284	39,654	7,500	147,438
SEWAGE SLUDGE FUND SAVINGS	<u>643,664</u>	<u>47,275</u>	<u>186,410</u>	<u>504,529</u>	<u>46,754</u>	<u>-</u>	<u>551,283</u>
Totals	<u>\$ 1,436,967</u>	<u>\$ 793,983</u>	<u>\$ 808,382</u>	<u>\$ 1,422,568</u>	<u>\$ 983,257</u>	<u>\$ 791,576</u>	<u>\$ 1,614,249</u>

FLORENCE REGIONAL SEWER DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2023

Fund	Cash and Investments 01-01-23	Receipts	Disbursements	Cash and Investments 12-31-23
PAYROLL	\$ 2,457	\$ 149,945	\$ 149,177	\$ 3,225
GENERAL FUND OPERATING	380,813	624,369	561,134	444,048
SEWAGE MAINT & IMPROVEMENT SVGS	532,261	52,581	68,401	516,441
SEWAGE CAPITAL IMPROVEMENT SAVINGS	147,437	51,650	28,210	170,877
SEWAGE SLUDGE FUND SAVINGS	<u>551,283</u>	<u>50,106</u>	<u>-</u>	<u>601,389</u>
Totals	<u>\$ 1,614,251</u>	<u>\$ 928,651</u>	<u>\$ 806,922</u>	<u>\$ 1,735,980</u>