

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

FINANCIAL STATEMENT AUDIT REPORT

OF

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT

NEWTON COUNTY, INDIANA

January 1, 2020 to December 31, 2023



FILED
10/11/2024



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

October 11, 2024

Board of Directors
Newton County Regional Water and Sewer District
Newton County, Indiana

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit Newton County Regional Water and Sewer District. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2020 to December 31, 2023. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of Newton County Regional Water and Sewer District as of December 31, 2020, 2021, 2022, and 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Crowe LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for Newton County Regional Water and Sewer District was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

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". The signature is written in a cursive style.

Tammy R. White, CPA
Deputy State Examiner

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
Newton County, Indiana

FINANCIAL STATEMENT

As of December 31, 2023, and for the
period of January 1, 2020 through December 31, 2023

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
Newton County, Indiana

FINANCIAL STATEMENT
As of December 31, 2023, and for the
period of January 1, 2020 through December 31, 2023

CONTENTS

| | |
|---|----|
| SCHEDULE OF OFFICIALS (Unaudited) | 1 |
| INDEPENDENT AUDITOR'S REPORT | 2 |
| FINANCIAL STATEMENT | |
| STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS..... | 5 |
| NOTES TO FINANCIAL STATEMENT..... | 7 |
| OTHER INFORMATION (Unaudited) | |
| COMBINING SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES – REGULATORY BASIS..... | 10 |
| SCHEDULE OF PAYABLES AND RECEIVABLES. | 16 |
| SCHEDULE OF LEASES AND DEBT..... | 17 |
| SCHEDULE OF CAPITAL ASSETS..... | 18 |
| STATE REPORTING INFORMATION | 19 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
SCHEDULE OF OFFICIALS (Unaudited)
As of December 31, 2023 and for the
period of January 1, 2020 through December 31, 2023

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---------------------------------|-----------------|----------------------|
| President of the District Board | Randy Decker | 01-01-20 to 12-31-23 |
| Treasurer | Sherri Rainford | 01-01-20 to 12-31-23 |

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Newton County Regional Water and Sewer District
Newton County, Indiana

Opinions

We have audited the accompanying statement of receipts, disbursements, and cash and investment balances of the Newton County Regional Water and Sewer District (the District) as of December 31, 2023, and for the period of January 1, 2020 through December 31, 2023, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the District as of December 31, 2023, and its cash receipts and cash disbursements for the period of January 1, 2020 through December 31, 2023 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the Districted States of America, the financial position of the District as of December 31, 2023, or changes in net position for the period of January 1, 2020 through December 31, 2023.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the Districted States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the District prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the Districted States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the Districted States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

(Continued)

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, Schedule of Capital Assets, and State Reporting Information, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
August 15, 2024

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 As of December 31, 2023 and for the period January 1, 2020 through December 31, 2023

| Fund | Cash and Investments | | | Cash and Investments | | | Cash and Investments |
|--|----------------------|---------------------|---------------------|----------------------|---------------------|---------------------|----------------------|
| | 01-01-20 | Receipts | Disbursements | 12-31-20 | Receipts | Disbursements | 12-31-21 |
| FEDERAL GRANTS OPERATING | \$ 278,461 | \$ - | \$ 117,720 | \$ 160,741 | \$ - | \$ - | \$ 160,741 |
| PAYROLL | - | 154,688 | 154,688 | - | 162,619 | 162,199 | 420 |
| SEWER IMPROVEMENT | - | 130,000 | - | 130,000 | 130,000 | - | 260,000 |
| PLANT 2-WASTEWATER UTILITY OPERATING | 220,568 | 1,646,383 | 1,478,049 | 388,902 | 1,632,875 | 1,743,609 | 278,168 |
| SEWER SENIOR BOND & INTEREST | 513,070 | 509,583 | 676,864 | 345,789 | 685,857 | 686,346 | 345,300 |
| SEWER SENIOR DEBT SERVICE RESERVE | 713,078 | 3,535 | - | 716,613 | 206 | - | 716,819 |
| SEWER JUNIOR BOND & INTEREST | 253,695 | 531,658 | 270,032 | 515,321 | 136,004 | 434,780 | 216,545 |
| SEWER JUNIOR DEBT SERVICE RESERVE | - | 472,743 | - | 472,743 | 136 | - | 472,879 |
| 2017 A-2 SEWAGE WORKS CONSTRUCTION ACCOUNT | 33,686 | 352,993 | 386,679 | - | - | - | - |
| 2017 B SEWAGE WORKS CONSTRUCTION ACCOUNT | - | 42,005 | 42,005 | - | - | - | - |
| PLANT 1- Water Operating | 287,941 | 1,326,095 | 956,045 | 657,991 | 1,056,874 | 982,913 | 731,952 |
| WATER IMPROVEMENT | - | 201,000 | - | 201,000 | 201,000 | - | 402,000 |
| WATER SENIOR BOND & INTEREST | 123,222 | 199,395 | 215,430 | 107,187 | 214,915 | 214,480 | 107,622 |
| WATER SENIOR DEBT SERVICE RESERVE | 99,177 | 44,749 | - | 143,926 | 45,662 | - | 189,588 |
| WATER JUNIOR BOND & INTEREST | 45,201 | 255,778 | 79,540 | 221,439 | 39 | 124,220 | 97,258 |
| WATER JUNIOR DEBT SERVICE RESERVE | - | 135,897 | - | 135,897 | 39 | - | 135,936 |
| 2017 B WATERWORKS CONSTRUCTION ACCOUNT | 21,495 | 830 | 9,313 | 13,012 | 13,012 | 26,024 | - |
| Totals | \$ 2,589,594 | \$ 6,007,332 | \$ 4,386,365 | \$ 4,210,561 | \$ 4,279,238 | \$ 4,374,571 | \$ 4,115,228 |

See accompanying notes to financial statement.

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 As of December 31, 2023 and for the period January 1, 2020 through December 31, 2023

| Fund | Cash and Investments | | | Cash and Investments | | | Cash and Investments |
|--------------------------------------|----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|----------------------|
| | 01-01-22 | Receipts | Disbursements | 12-31-22 | Receipts | Disbursements | 12-31-23 |
| FEDERAL GRANTS OPERATING | \$ 160,741 | \$ - | \$ 305 | \$ 160,436 | \$ - | \$ - | \$ 160,436 |
| PAYROLL | 420 | 222,289 | 222,709 | - | 251,253 | 251,253 | - |
| PLANT 2-WASTEWATER UTILITY OPERATING | 278,168 | 2,219,217 | 2,338,733 | 158,652 | 2,024,919 | 2,041,259 | 142,312 |
| SEWER SENIOR BOND & INTEREST | 345,300 | 687,357 | 684,770 | 347,887 | 9,886,253 | 10,234,140 | - |
| SEWER SENIOR DEBT SERVICE RESERVE | 716,819 | 8,645 | - | 725,464 | 1,126,281 | 730,514 | 1,121,231 |
| SEWER IMPROVEMENT | 260,000 | 130,000 | - | 390,000 | - | 390,000 | - |
| SEWER JUNIOR BOND & INTEREST | 216,545 | 502,835 | 431,450 | 287,930 | 4,736,916 | 5,024,846 | - |
| SEWER JUNIOR DEBT SERVICE RESERVE | 472,879 | 5,703 | - | 478,582 | 5,106 | 483,688 | - |
| PLANT 1- Water Operating | 731,952 | 1,159,212 | 1,312,000 | 579,164 | 1,063,192 | 1,167,069 | 475,287 |
| WATER SENIOR BOND & INTEREST | 107,622 | 216,754 | 215,480 | 108,896 | 3,053,129 | 3,162,025 | - |
| WATER SENIOR DEBT SERVICE RESERVE | 189,588 | 35,032 | - | 224,620 | 341,697 | 226,184 | 340,133 |
| WATER IMPROVEMENT | 402,000 | 201,000 | - | 603,000 | - | 57 | 602,943 |
| WATER JUNIOR BOND & INTEREST | 97,258 | 118,080 | 152,054 | 63,284 | 1,369,877 | 1,433,161 | - |
| WATER JUNIOR DEBT SERVICE RESERVE | 135,936 | 1,639 | - | 137,575 | 1,468 | 139,043 | - |
| Totals | <u>\$ 4,115,228</u> | <u>\$ 5,507,763</u> | <u>\$ 5,357,501</u> | <u>\$ 4,265,490</u> | <u>\$ 23,860,091</u> | <u>\$ 25,283,239</u> | <u>\$ 2,842,342</u> |

See accompanying notes to financial statement.

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
NOTES TO FINANCIAL STATEMENT
As of December 31, 2023 and for the period of January 1, 2022 through December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The District was established under the laws of the State of Indiana. The District operates under a governing board.

The accompanying financial statement presents the financial information for the District.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the Districted States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred. The basis of accounting also requires presentation of certain information as Other Information.

The regulatory basis of accounting differs from accounting principles generally accepted in the Districted States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Utility fees. Amounts received from charges for current services.

Other receipts. Amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Personal services. Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those Districts where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Other services and charges. Amounts disbursed for services including, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the District. It includes all expenditures for the reduction of the principal and interest of the District general obligation indebtedness as well as lease agreements.

Capital outlay. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Utility operating expenses. Amounts disbursed for operating the utilities.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other disbursements. Amounts disbursed for various purposes including, but not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

Interfund Transfers: The District may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

Fund Accounting: Separate funds are established, maintained, and reported by the District. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the District. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the District in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental Districts and, therefore, the funds cannot be used for any expenditures of the District itself.

NOTE 2 - BUDGETS

The operating budget is initially prepared and approved at the local level. The fiscal officer of the District submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund (PDIF). This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the District to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units. The District did not hold any investments during the audit period.

NOTE 4 - RISK MANAGEMENT

The District may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the District to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The District has purchased insurance to address the risks described above.

(Continued)

NOTE 5 - PENSION PLAN

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the District authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the District authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

Financial Report

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and My Choice members may receive additional employer contribution in lieu of the PERF DB. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

OTHER INFORMATION (Unaudited)

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2020

| | FEDERAL GRANTS OPERATING | PAYROLL | SEWER IMPROVEMENT | PLANT 2-WASTEWATER UTILITY OPERATING | SEWER SENIOR BOND & INTEREST | SEWER SENIOR DEBT SERVICE RESERVE | SEWER JUNIOR BOND & INTEREST | SEWER JUNIOR DEBT SERVICE RESERVE | 2017 A-2 SEWAGE WORKS CONSTRUCTION ACCOUNT |
|--|--------------------------------|---------|----------------------|---|--|---|--|---|---|
| Cash and investments - beginning | \$ 278,461 | \$ - | \$ - | \$ 220,568 | \$ 513,070 | \$ 713,078 | \$ 253,695 | \$ - | \$ 33,686 |
| Receipts: | | | | | | | | | |
| Utility fees | - | - | - | 1,619,765 | - | - | - | - | - |
| Other receipts | - | 154,688 | 130,000 | 26,618 | 509,583 | 3,535 | 531,658 | 472,743 | 352,993 |
| Total receipts | - | 154,688 | 130,000 | 1,646,383 | 509,583 | 3,535 | 531,658 | 472,743 | 352,993 |
| Disbursements: | | | | | | | | | |
| Personal services | - | - | - | 88,435 | - | - | - | - | - |
| Other services and charges | - | - | - | 23,611 | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | 676,864 | - | 270,032 | - | - |
| Capital outlay | 117,720 | - | - | - | - | - | - | - | 386,679 |
| Utility operating expenses | - | - | - | 575,362 | - | - | - | - | - |
| Other disbursements | - | 154,688 | - | 790,641 | - | - | - | - | - |
| Total disbursements | 117,720 | 154,688 | - | 1,478,049 | 676,864 | - | 270,032 | - | 386,679 |
| Excess (deficiency) of receipts over disbursements | (117,720) | - | 130,000 | 168,334 | (167,281) | 3,535 | 261,626 | 472,743 | (33,686) |
| Cash and investments - ending | \$ 160,741 | \$ - | \$ 130,000 | \$ 388,902 | \$ 345,789 | \$ 716,613 | \$ 515,321 | \$ 472,743 | \$ - |

(Continued)

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2020

| | 2017 B SEWAGE WORKS CONSTRUCTION ACCOUNT | PLANT 1- Water Operating | WATER IMPROVEMENT | WATER SENIOR BOND & INTEREST | WATER SENIOR DEBT SERVICE RESERVE | WATER JUNIOR BOND & INTEREST | WATER JUNIOR DEBT SERVICE RESERVE | 2017 B WATERWORKS CONSTRUCTION ACCOUNT | Totals |
|--|---|-----------------------------------|----------------------|--|---|--|---|--|--------------|
| Cash and investments - beginning | \$ - | \$ 287,941 | \$ - | \$ 123,222 | \$ 99,177 | \$ 45,201 | \$ - | \$ 21,495 | \$ 2,589,594 |
| Receipts: | | | | | | | | | |
| Utility fees | - | 998,585 | - | - | - | - | - | - | 2,618,350 |
| Other receipts | 42,005 | 327,510 | 201,000 | 199,395 | 44,749 | 255,778 | 135,897 | 830 | 3,388,982 |
| Total receipts | 42,005 | 1,326,095 | 201,000 | 199,395 | 44,749 | 255,778 | 135,897 | 830 | 6,007,332 |
| Disbursements: | | | | | | | | | |
| Personal services | - | 60,220 | - | - | - | - | - | - | 148,655 |
| Other services and charges | - | 23,611 | - | - | - | - | - | - | 47,222 |
| Debt service - principal and interest | - | - | - | 215,430 | - | 79,540 | - | - | 1,241,866 |
| Capital outlay | 42,005 | - | - | - | - | - | - | 9,313 | 555,717 |
| Utility operating expenses | - | 387,004 | - | - | - | - | - | - | 962,366 |
| Other disbursements | - | 485,210 | - | - | - | - | - | - | 1,430,539 |
| Total disbursements | 42,005 | 956,045 | - | 215,430 | - | 79,540 | - | 9,313 | 4,386,365 |
| Excess (deficiency) of receipts over disbursements | - | 370,050 | 201,000 | (16,035) | 44,749 | 176,238 | 135,897 | (8,483) | 1,620,967 |
| Cash and investments - ending | \$ - | \$ 657,991 | \$ 201,000 | \$ 107,187 | \$ 143,926 | \$ 221,439 | \$ 135,897 | \$ 13,012 | \$ 4,210,561 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2021

| | FEDERAL GRANTS OPERATING | PAYROLL | SEWER IMPROVEMENT | PLANT 2-WASTEWATER UTILITY OPERATING | SEWER SENIOR BOND & INTEREST | SEWER SENIOR DEBT SERVICE RESERVE | SEWER JUNIOR BOND & INTEREST | SEWER JUNIOR DEBT SERVICE RESERVE |
|--|--------------------------------|---------|----------------------|---|--|---|--|---|
| Cash and investments - beginning | \$ 160,741 | \$ - | \$ 130,000 | \$ 388,902 | \$ 345,789 | \$ 716,613 | \$ 515,321 | \$ 472,743 |
| Receipts: | | | | | | | | |
| Utility fees | - | - | - | 1,616,174 | - | - | - | - |
| Other receipts | - | 162,619 | 130,000 | 16,701 | 685,857 | 206 | 136,004 | 136 |
| Total receipts | - | 162,619 | 130,000 | 1,632,875 | 685,857 | 206 | 136,004 | 136 |
| Disbursements: | | | | | | | | |
| Personal services | - | - | - | 71,771 | - | - | - | - |
| Other services and charges | - | - | - | 24,182 | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | 685,260 | - | 434,780 | - |
| Capital outlay | - | - | - | 35,678 | - | - | - | - |
| Utility operating expenses | - | - | - | 661,325 | - | - | - | - |
| Other disbursements | - | 162,199 | - | 950,653 | 1,086 | - | - | - |
| Total disbursements | - | 162,199 | - | 1,743,609 | 686,346 | - | 434,780 | - |
| Excess (deficiency) of receipts over disbursements | - | 420 | 130,000 | (110,734) | (489) | 206 | (298,776) | 136 |
| Cash and investments - ending | \$ 160,741 | \$ 420 | \$ 260,000 | \$ 278,168 | \$ 345,300 | \$ 716,819 | \$ 216,545 | \$ 472,879 |

(Continued)

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2021

| | PLANT 1- Water Operating | WATER IMPROVEMENT | WATER SENIOR BOND & INTEREST | WATER SENIOR DEBT SERVICE RESERVE | WATER JUNIOR BOND & INTEREST | WATER JUNIOR DEBT SERVICE RESERVE | 2017 B WATERWORKS CONSTRUCTION ACCOUNT | Totals |
|--|-----------------------------------|----------------------|--|---|--|---|--|--------------|
| Cash and investments - beginning | \$ 657,991 | \$ 201,000 | \$ 107,187 | \$ 143,926 | \$ 221,439 | \$ 135,897 | \$ 13,012 | \$ 4,210,561 |
| Receipts: | | | | | | | | |
| Utility fees | 996,813 | - | - | - | - | - | - | 2,612,987 |
| Other receipts | 60,061 | 201,000 | 214,915 | 45,662 | 39 | 39 | 13,012 | 1,666,251 |
| Total receipts | 1,056,874 | 201,000 | 214,915 | 45,662 | 39 | 39 | 13,012 | 4,279,238 |
| Disbursements: | | | | | | | | |
| Personal services | 84,681 | - | - | - | - | - | - | 156,452 |
| Other services and charges | 24,181 | - | - | - | - | - | - | 48,363 |
| Debt service - principal and interest | - | - | 214,480 | - | 124,220 | - | - | 1,458,740 |
| Capital outlay | - | - | - | - | - | - | - | 35,678 |
| Utility operating expenses | 412,538 | - | - | - | - | - | - | 1,073,863 |
| Other disbursements | 461,513 | - | - | - | - | - | 26,024 | 1,601,475 |
| Total disbursements | 982,913 | - | 214,480 | - | 124,220 | - | 26,024 | 4,374,571 |
| Excess (deficiency) of receipts over disbursements | 73,961 | 201,000 | 435 | 45,662 | (124,181) | 39 | (13,012) | (95,333) |
| Cash and investments - ending | \$ 731,952 | \$ 402,000 | \$ 107,622 | \$ 189,588 | \$ 97,258 | \$ 135,936 | \$ - | \$ 4,115,228 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND
 INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2022

| | FEDERAL GRANTS OPERATING | PAYROLL | PLANT 2- WASTEWATER UTILITY OPERATING | SEWER SENIOR BOND & INTEREST | SEWER SENIOR DEBT SERVICE RESERVE | SEWER IMPROVEMENT | SEWER JUNIOR BOND & INTEREST | SEWER JUNIOR DEBT SERVICE RESERVE | PLANT 1- Water Operating | WATER SENIOR BOND & INTEREST | WATER SENIOR DEBT SERVICE RESERVE | WATER IMPROVEMENT | WATER JUNIOR BOND & INTEREST | WATER JUNIOR DEBT SERVICE RESERVE | Totals |
|--|--------------------------------|---------|---|--|---|----------------------|--|---|-----------------------------------|--|---|----------------------|--|---|--------------|
| Cash and investments - beginning | \$ 160,741 | \$ 420 | \$ 278,168 | \$ 345,300 | \$ 716,819 | \$ 260,000 | \$ 216,545 | \$ 472,879 | \$ 731,952 | \$107,622 | \$ 189,588 | \$ 402,000 | \$ 97,258 | \$ 135,936 | \$ 4,115,228 |
| Receipts: | | | | | | | | | | | | | | | |
| Utility fees | - | - | 2,156,332 | - | - | - | - | - | 1,019,345 | - | - | - | - | - | 3,175,677 |
| Other receipts | - | 222,289 | 62,885 | 687,357 | 8,645 | 130,000 | 502,835 | 5,703 | 139,867 | 216,754 | 35,032 | 201,000 | 118,080 | 1,639 | 2,332,086 |
| Total receipts | - | 222,289 | 2,219,217 | 687,357 | 8,645 | 130,000 | 502,835 | 5,703 | 1,159,212 | 216,754 | 35,032 | 201,000 | 118,080 | 1,639 | 5,507,763 |
| Disbursements: | | | | | | | | | | | | | | | |
| Personal services | - | - | 65,502 | - | - | - | - | - | 145,645 | - | - | - | - | - | 211,147 |
| Other services and charges | - | - | 27,169 | - | - | - | - | - | 26,903 | - | - | - | - | - | 54,072 |
| Debt service - principal and interest | - | - | - | 684,770 | - | - | 431,450 | - | - | 215,480 | - | - | 124,400 | - | 1,456,100 |
| Capital outlay | 305 | - | 7,133 | - | - | - | - | - | - | - | - | - | - | - | 7,438 |
| Utility operating expenses | - | - | 923,381 | - | - | - | - | - | 600,126 | - | - | - | - | - | 1,523,507 |
| Other disbursements | - | 222,709 | 1,315,548 | - | - | - | - | - | 539,326 | - | - | - | 27,654 | - | 2,105,237 |
| Total disbursements | 305 | 222,709 | 2,338,733 | 684,770 | - | - | 431,450 | - | 1,312,000 | 215,480 | - | - | 152,054 | - | 5,357,501 |
| Excess (deficiency) of receipts over disbursements | (305) | (420) | (119,516) | 2,587 | 8,645 | 130,000 | 71,385 | 5,703 | (152,788) | 1,274 | 35,032 | 201,000 | (33,974) | 1,639 | 150,262 |
| Cash and investments - ending | \$ 160,436 | \$ - | \$ 158,652 | \$ 347,887 | \$ 725,464 | \$ 390,000 | \$ 287,930 | \$ 478,582 | \$ 579,164 | \$108,896 | \$ 224,620 | \$ 603,000 | \$ 63,284 | \$ 137,575 | \$ 4,265,490 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2023

| | FEDERAL GRANTS OPERATING | PAYROLL | PLANT 2- WASTEWATER UTILITY OPERATING | SEWER SENIOR BOND & INTEREST | SEWER SENIOR DEBT SERVICE RESERVE | SEWER IMPROVEMENT | SEWER JUNIOR BOND & INTEREST | SEWER JUNIOR DEBT SERVICE RESERVE | PLANT 1- Water Operating | WATER SENIOR BOND & INTEREST | WATER SENIOR DEBT SERVICE RESERVE | WATER IMPROVEMENT | WATER JUNIOR BOND & INTEREST | WATER JUNIOR DEBT SERVICE RESERVE | Totals |
|--|--------------------------------|---------|---|--|---|----------------------|--|---|-----------------------------------|--|---|----------------------|--|---|--------------|
| Cash and investments - beginning | \$ 160,436 | \$ - | \$ 158,652 | \$ 347,887 | \$ 725,464 | \$ 390,000 | \$ 287,930 | \$ 478,582 | \$ 579,164 | \$ 108,896 | \$ 224,620 | \$ 603,000 | \$ 63,284 | \$ 137,575 | \$ 4,265,490 |
| Receipts: | | | | | | | | | | | | | | | |
| Utility fees | - | - | 1,967,419 | - | - | - | - | - | 1,006,503 | - | - | - | - | - | 2,973,922 |
| Other receipts | - | 251,253 | 57,500 | 9,886,253 | 1,126,281 | - | 4,736,916 | 5,106 | 56,689 | 3,053,129 | 341,697 | - | 1,369,877 | 1,468 | 20,886,169 |
| Total receipts | - | 251,253 | 2,024,919 | 9,886,253 | 1,126,281 | - | 4,736,916 | 5,106 | 1,063,192 | 3,053,129 | 341,697 | - | 1,369,877 | 1,468 | 23,860,091 |
| Disbursements: | | | | | | | | | | | | | | | |
| Personal services | - | - | 73,847 | - | - | - | - | - | 164,524 | - | - | - | - | - | 238,371 |
| Other services and charges | - | - | 31,723 | - | - | - | - | - | 31,968 | - | - | - | - | - | 63,691 |
| Debt service - principal and interest | - | - | - | 10,234,140 | 730,514 | - | 5,024,582 | 481,913 | - | 3,162,025 | 226,184 | - | 1,433,158 | 138,533 | 21,431,049 |
| Capital outlay | - | - | - | - | - | 22,202 | - | - | - | - | - | - | - | - | 22,202 |
| Utility operating expenses | - | - | 1,362,941 | - | - | - | - | - | 632,071 | - | - | - | - | - | 1,995,012 |
| Other disbursements | - | 251,253 | 572,748 | - | - | 367,798 | 264 | 1,775 | 338,506 | - | - | 57 | 3 | 510 | 1,532,914 |
| Total disbursements | - | 251,253 | 2,041,259 | 10,234,140 | 730,514 | 390,000 | 5,024,846 | 483,688 | 1,167,069 | 3,162,025 | 226,184 | 57 | 1,433,161 | 139,043 | 25,283,239 |
| Excess (deficiency) of receipts over disbursements | - | - | (16,340) | (347,887) | 395,767 | (390,000) | (287,930) | (478,582) | (103,877) | (108,896) | 115,513 | (57) | (63,284) | (137,575) | (1,423,148) |
| Cash and investments - ending | \$ 160,436 | \$ - | \$ 142,312 | \$ - | \$ 1,121,231 | \$ - | \$ - | \$ - | \$ 475,287 | \$ - | \$ 340,133 | \$ 602,943 | \$ - | \$ - | \$ 2,842,342 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2023

| <u>Government or Enterprise</u> | <u>Accounts Payable</u> | <u>Accounts Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Sewer | \$ 53,011 | \$ 12,057 |
| Water | <u>2,732</u> | <u>35,790</u> |
| Totals | <u>\$ 55,743</u> | <u>\$ 47,847</u> |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
 SCHEDULE OF LEASES AND DEBT
 December 31, 2023

| Description of Debt | | Ending | Principal Due |
|---------------------|------------------------------|------------------|-------------------|
| <u>Type</u> | <u>Purpose</u> | <u>Principal</u> | <u>Balance</u> |
| | | | <u>Within One</u> |
| | | | <u>Year</u> |
| Sewer: | | | |
| Revenue bonds | Refunding of 2017 Bonds 2023 | \$ 13,980,000 | \$ 837,000 |
| Total Sewer | | 13,980,000 | 837,000 |
| Water: | | | |
| Revenue bonds | Refunding of 2017 Bonds 2023 | 4,168,000 | 257,000 |
| Total Water | | 4,168,000 | 257,000 |
| Totals | | \$ 18,148,000 | \$ 1,094,000 |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
SCHEDULE OF CAPITAL ASSETS
December 31, 2023

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

| | <u>Ending Balance</u> |
|------------------------------------|---------------------------|
| Sewer: | |
| Infrastructure | \$ 17,423,946 |
| Machinery, equipment, and vehicles | 163,798 |
| Construction in progress | <u>432,706</u> |
| Total Sewer | <u>18,020,450</u> |
| Water: | |
| Infrastructure | 8,101,038 |
| Machinery, equipment, and vehicles | 106,760 |
| Construction in progress | <u>126,837</u> |
| Total Water | <u>8,334,635</u> |
| Total capital assets | <u>\$ 26,355,085</u> |

NEWTON COUNTY REGIONAL WATER AND SEWER DISTRICT
STATE REPORTING INFORMATION
December 31, 2023

The reports presented herein were prepared in addition to another official report prepared for the District as listed below:

Indiana State Board of Accounts Compliance Examination of the Newton County Regional Water and Sewer District.

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts*.