

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

SUPPLEMENTAL COMPLIANCE REPORT

OF

LAKELAND REGIONAL SEWER DISTRICT

KOSCIUSKO COUNTY, INDIANA

January 1, 2011 to December 31, 2014



FILED

04/08/2016

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	James R. Haney Michael R. DeWald	01-01-11 to 12-31-11 01-01-12 to 12-31-15
President of the Board	David Doctor James R. Haney	01-01-11 to 06-05-13 06-06-13 to 12-31-15



STATE OF INDIANA
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TO: THE OFFICIALS OF THE LAKELAND REGIONAL
SEWER DISTRICT, KOSCIUSKO COUNTY, INDIANA

This report is supplemental to our examination report of the Lakeland Regional Sewer District (District), for the period from January 1, 2011 to December 31, 2014. 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 Statement 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

December 14, 2015

LAKELAND REGIONAL SEWER DISTRICT
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN CASH BALANCE

The financial statements presented for examination included the Wastewater Sewage Works Construction fund with an overdrawn cash balance of \$7,714 at December 31, 2012.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

OFFICIAL BONDS

The Sewer District Treasurers did not obtain individual Surety Bonds for the period under examination through the current period.

The order establishing the district, issued by the Commissioner of the Department of Environmental Management, must provide the requirements for sufficient bond for all officers, trustees, or employees having power to dispense money of the district. [IC 13-26-2-10] (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 2)

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder in the county of residence of the officer, official, deputy, or employee."

LAKELAND REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 14, 2015, with Michael R. DeWald, Treasurer, and James R. Haney, President of the Board.