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April 10, 2019

Board of Trustees  
Lakeland Regional Sewer District  
301 North Main Street  
North Webster, IN 46555

This report is supplemental to the audit report of the Lakeland Regional Sewer District (District), for the period from January 1, 2015 to December 31, 2017. 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 Lakeland Regional Sewer District prepared by Crowe LLP, Independent Public Accountants, for the period January 1, 2015 to December 31, 2017. 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 finding in the report. Page 3 contains one Examination Finding and Result.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

**COMPLIANCE EXAMINATION OF  
LAKELAND REGIONAL SEWER DISTRICT**

Kosciusko County, Indiana  
January 1, 2015 to December 31, 2017

LAKELAND REGIONAL SEWER DISTRICT

Kosciusko County, Indiana  
January 1, 2015 to December 31, 2017

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LAKELAND REGIONAL SEWER DISTRICT  
SCHEDULE OF OFFICIALS  
January 1, 2015 to December 31, 2017

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Michael R. DeWald	01-01-15 to 12-31-17
President of the Board	James R. Haney	01-01-15 to 12-31-17

## INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and  
Management of Lakeland Regional Sewer District

We have examined Lakeland Regional Sewer District's ("Unit") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Special Districts* during the period January 1, 2015 to December 31, 2017. Management of the Unit is responsible for the Unit's compliance with the specified requirements. Our responsibility is to express an opinion on the Unit'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 Unit complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Unit 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.

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

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Special Districts* applicable to the Unit during the period January 1, 2015 to December 31, 2017, as described in item 2018-001 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the Unit complied, in all material respects, with the aforementioned requirements during the period January 1, 2015 to December 31, 2017.

  
Crowe LLP

Indianapolis, Indiana  
December 28, 2018

LAKELAND REGIONAL SEWER DISTRICT  
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS  
January 1, 2015 to December 31, 2017

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**FINDING 2018-001: BANK ACCOUNT RECONCILIATION REVIEW**

**Criteria:** Indiana Code 5-13-6-1(e) states, "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

**Condition:** During testing, we noted the Unit did prepare bank reconciliations on at least a monthly basis. However, we noted no formal, documented review process over these reconciliations during 2015 and 2016. We noted the Unit began formally reviewing bank reconciliations during 2017.

LAKELAND REGIONAL SEWER DISTRICT  
EXIT CONFERENCE  
January 1, 2015 to December 31, 2017

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The contents of this report were discussed on December 28, 2018, with Mike DeWald, Treasurer, and James Haney, President of the Board. The officials acknowledged the findings.