



# Dave Yost • Auditor of State

## MANAGEMENT LETTER

Lake Waynoka Regional Water and Sewer District  
Brown County  
1 Waynoka Drive  
Sardinia, Ohio 45171

To the Board of Trustees:

We have audited the financial statements of Lake Waynoka Regional Water and Sewer District, Brown County, Ohio (the District), in accordance with *Government Auditing Standards*, as of and for the year ended December 31, 2012, and have issued our report thereon dated July 24, 2013, wherein the District implemented GASB Statement No. 62, *Codification of Pre November 30, 1989 FASB and AICPA Pronouncements*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* during fiscal year 2012.

*Government Auditing Standards* require us to report significant internal control deficiencies, fraud, and illegal acts (including noncompliance with laws and regulations), and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated July 24, 2013, for the year ended December 31, 2012.

We are also submitting the following comments for your consideration regarding the District's compliance with applicable laws, regulations, grant agreements, contract provisions, and internal control. These comments reflect matters that do not require inclusion in the report *Government Auditing Standards* require. Nevertheless, these comments represent matters for which we believe improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing these recommendations. However, these comments reflect our continuing desire to assist your government. If you have questions or concerns regarding these comments please contact your regional Auditor of State office.

## RECOMMENDATION

The District failed to implement GASB 63 for Fiscal Year 2012. GASB Statement No. 63 has an effective date for periods beginning after December 15, 2011.

The financial statements, footnotes to the financial statements and management's discussion and analysis were adjusted to reflect implementation of GASB 63.

We recommend the District establish procedures to determine that all authoritative pronouncements are implemented when applicable.

We intend this report for the information and use of the governing board, audit committee, and management.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

**Dave Yost**  
Auditor of State

Columbus, Ohio

July 24, 2013