

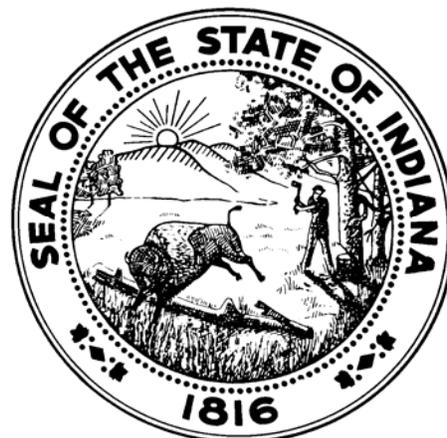
**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT

OF

HENSLEY FIRE PROTECTION DISTRICT  
JOHNSON COUNTY, INDIANA

January 1, 1999 to December 31, 2005



**FILED**  
08/28/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Recording Secretary	Chris Dunn	01-01-99 to 12-31-05
	Mary Wilkerson	01-01-06 to 12-31-06
Treasurer	Bill Goley	01-01-99 to 12-31-01
	Gary Barger	01-01-02 to 12-31-02
	Bill Dunn	01-01-03 to 12-31-04
	John Coner	01-01-05 to 12-31-05
	Gerald Davenport	01-01-06 to 12-31-06
President of the Board	Bill Dunn	01-01-99 to 12-31-00
	John Coner	01-01-01 to 12-31-02
	Gary Barger	01-01-03 to 12-31-03
	Bill Goley	01-01-04 to 12-31-04
	Bill Dunn	01-01-05 to 12-31-05
	Ed Fischer	01-01-06 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE HENSLEY FIRE PROTECTION DISTRICT, JOHNSON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Hensley Fire Protection District (District), for the period of January 1, 1999 to December 31, 2005. The District's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the District for the years ended December 31, 1999, 2000, 2001, 2002, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 24, 2006

HENSLEY FIRE PROTECTION DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
GOVERNMENTAL FUND TYPE  
As Of And For The Years Ended December 31, 1999, 2000, 2001, 2002, 2003, 2004, and 2005

	Cash and Investments 01-01-99	Receipts	Disbursements	Cash and Investments 12-31-99
Governmental Fund: General	\$ -	\$ 121,047	\$ 97,562	\$ 23,485
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
Governmental Fund: General	\$ 23,485	\$ 96,604	\$ 114,231	\$ 5,858
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
Governmental Fund: General	\$ 5,858	\$ 162,745	\$ 125,118	\$ 43,485
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds: General	\$ 43,485	\$ 129,535	\$ 116,074	\$ 56,946
Debt Service	-	53,158	24,895	28,263
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	\$ 43,485	\$ 182,693	\$ 140,969	\$ 85,209
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds: General	\$ 56,946	\$ 120,006	\$ 141,090	\$ 35,862
Debt Service	28,263	48,628	74,686	2,205
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	\$ 85,209	\$ 168,634	\$ 215,776	\$ 38,067
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds: General	\$ 35,862	\$ 173,728	\$ 117,844	\$ 91,746
Debt Service	2,205	73,501	50,288	25,418
Rainy Day	-	4,594	-	4,594
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	\$ 38,067	\$ 251,823	\$ 168,132	\$ 121,758
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds: General	\$ 91,746	\$ 144,521	\$ 116,013	\$ 120,254
Debt Service	25,418	64,171	49,791	39,798
Rainy Day	4,594	-	-	4,594
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	\$ 121,758	\$ 208,692	\$ 165,804	\$ 164,646
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The accompanying notes are an integral part of the schedules.

HENSLEY FIRE PROTECTION DISTRICT  
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: public safety and general administrative services. This is the initial audit report of the Hensley Fire Protection District.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the District on or prior to December 31 of the year collected, except for the years ending December 31, 2000 and 2003.

Note 5. Deposits and Investments

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

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Long-Term Debt

The District has entered into a capital lease for fire equipment. The outstanding principal at December 31, 2005, was \$115,658.

HENSLEY FIRE PROTECTION DISTRICT  
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST AND OTHER CHARGES

Information presented for audit indicates that a delinquency charge was assessed and paid on a semi-annual fire equipment lease payment due January 20, 2004, in the amount of \$497.91.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Debt Service	2004	<u>\$ 497</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

HENSLEY FIRE PROTECTION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on July 24, 2006, with Mary Wilkerson, Recording Secretary; and by telephone with Chris Dunn, Former Recording Secretary.