

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

EXAMINATION REPORT

OF

MONROE TOWNSHIP FIRE PROTECTION DISTRICT

MORGAN COUNTY, INDIANA

January 1, 2002 to December 31, 2005



FILED

01/29/2007

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OFFICIALS

Office

Official

Term

Treasurer

Janet Mitchell

01-01-02 to 12-31-06

President of the Board

Bob Shriver

01-01-02 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MONROE TOWNSHIP FIRE
PROTECTION DISTRICT, MORGAN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Monroe Township Fire Protection District (District), for the period of January 1, 2002 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, 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

January 10, 2007

MONROE TOWNSHIP FIRE PROTECTION DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 89,864	\$ 199,415	\$ 165,796	\$ 123,483
Cumulative Fire	24,335	22,769	-	47,104
Fire Equipment	-	42,089	32,462	9,627
Totals	<u>\$ 114,199</u>	<u>\$ 264,273</u>	<u>\$ 198,258</u>	<u>\$ 180,214</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 123,483	\$ 262,070	\$ 292,996	\$ 92,557
Cumulative Fire	47,104	67,196	8,682	105,618
Fire Equipment	9,627	108,619	79,858	38,388
Totals	<u>\$ 180,214</u>	<u>\$ 437,885</u>	<u>\$ 381,536</u>	<u>\$ 236,563</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 92,557	\$ 221,054	\$ 254,414	\$ 59,197
Cumulative Fire	105,618	60,907	34,357	132,168
Fire Equipment	38,388	58,816	57,421	39,783
Totals	<u>\$ 236,563</u>	<u>\$ 340,777</u>	<u>\$ 346,192</u>	<u>\$ 231,148</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 59,197	\$ 183,721	\$ 207,212	\$ 35,706
Cumulative Fire	132,168	42,432	73,880	100,720
Fire Equipment	39,783	60,102	64,923	34,962
Building or Remodeling	-	232,367	-	232,367
Totals	<u>\$ 231,148</u>	<u>\$ 518,622</u>	<u>\$ 346,015</u>	<u>\$ 403,755</u>

The accompanying notes are an integral part of the schedules.

MONROE TOWNSHIP FIRE PROTECTION DISTRICT
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides fire protection.

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.

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 various debts such as a loan for a new fire station and capital leases for fire equipment. The outstanding principal at December 31, 2005, was \$1,055,463.39.

Note 7. Subsequent Event

The new fire station was under construction at the end of this examination period. Total construction costs for the new fire station was \$1,800,000.

MONROE TOWNSHIP FIRE PROTECTION DISTRICT
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Special Cumulative Fire Fund	2005	<u>\$ 2,780</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."

INTEREST ON INVESTMENTS

Interest earned on investments in some instances was automatically added to the principal and not recorded in the records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

MONROE TOWNSHIP FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on January 10, 2007, with Janet Mitchell, Treasurer. The official concurred with our findings.