

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

EXAMINATION REPORT
OF
WALDRON CONSERVANCY DISTRICT
SHELBY COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
10/03/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Clerk	Charles D. Kuhn Joe Runnebohm	01-01-05 to 12-31-05 01-01-06 to 12-31-07
President of the Board of Directors	Jack L. Knoll	01-01-05 to 12-31-07
Superintendent	Ron Fuchs	01-01-05 to 12-31-07



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WALDRON CONSERVANCY DISTRICT, SHELBY COUNTY, INDIANA

We have examined the financial information presented herein of the Waldron Conservancy District (District), for the period of January 1, 2005 to December 31, 2006. The District's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

August 9, 2007

WALDRON CONSERVANCY DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Fund:				
General	\$ 323,648	\$ 151,065	\$ 87,095	\$ 387,618
Proprietary Funds:				
Water Utility - Operating	127,279	103,870	75,272	155,877
Water Utility - Bond and Interest	10,000	-	1,911	8,089
Water Utility - Debt Service Reserve	10,100	-	-	10,100
Water Utility - Customer Deposit	9,670	1,400	2,449	8,621
Water Utility - Construction	49,433	38,143	62,847	24,729
Totals	<u>\$ 530,130</u>	<u>\$ 294,478</u>	<u>\$ 229,574</u>	<u>\$ 595,034</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Fund:				
General	\$ 387,618	\$ 112,688	\$ 70,052	\$ 430,254
Proprietary Funds:				
Water Utility - Operating	155,877	96,504	103,671	148,710
Water Utility - Bond and Interest	8,089	9,617	9,530	8,176
Water Utility - Depreciation	10,100	-	-	10,100
Water Utility - Customer Deposit	8,621	1,875	1,237	9,259
Water Utility - Construction	24,729	151	24,880	-
Totals	<u>\$ 595,034</u>	<u>\$ 220,835</u>	<u>\$ 209,370</u>	<u>\$ 606,499</u>

The accompanying notes are an integral part of the financial information.

WALDRON CONSERVANCY DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: wastewater utility (funded by property taxation), water utility (funded by user charges), and general administrative services.

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.

WALDRON CONSERVANCY DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 27,050
Buildings	16,500
Improvements other than buildings	155,100
Machinery and equipment	<u>67,941</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>266,591</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 10,750
Buildings	16,500
Distribution Lines	215,588
Water Supply Facilities	279,323
Storage Tanks	367,300
Transportation Equipment	22,532
Miscellaneous Equipment	<u>23,798</u>
 Total Water Utility capital assets	 \$ <u>935,791</u>

WALDRON CONSERVANCY DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Business-type Activities:

Water Utility

Revenue bonds:

Water Tower State Revolving Loan	\$	128,300
Water Tower DNR Loan		<u>97,500</u>

Total Water Utility	\$	<u><u>225,800</u></u>
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WALDRON CONSERVANCY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 9, 2007, with Joe Runnebohm , Financial Clerk; and Ron Fuchs , Superintendent. Our examination disclosed no material items that warrant comment at this time.