

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

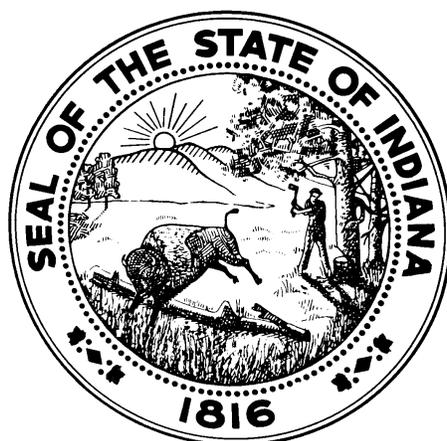
EXAMINATION REPORT

OF

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT

DEKALB COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
08/21/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	James Dwyer Samuel McClintock	01-01-06 to 12-31-07 01-01-08 to 12-31-08
President of the Board of Trustees	Donald Hollman Jerry Markle	01-01-06 to 03-26-08 03-27-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE ST. JOE-SPENCERVILLE REGIONAL
SEWER DISTRICT, DEKALB COUNTY, INDIANA

We have examined the financial information presented herein of the St. Joe-Spencerville Regional Sewer District (District), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, 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

June 24, 2008

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 22,014	\$ 321,890	\$ 321,890	\$ 22,014
Depreciation	141,535	53,043	23,673	170,905
Bond and Interest	<u>106,822</u>	<u>5,852</u>	<u>5,160</u>	<u>107,514</u>
Totals	<u>\$ 270,371</u>	<u>\$ 380,785</u>	<u>\$ 350,723</u>	<u>\$ 300,433</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 22,014	\$ 326,263	\$ 326,263	\$ 22,014
Depreciation	170,905	37,860	-	208,765
Bond and Interest	<u>107,514</u>	<u>5,852</u>	<u>5,400</u>	<u>107,966</u>
Totals	<u>\$ 300,433</u>	<u>\$ 369,975</u>	<u>\$ 331,663</u>	<u>\$ 338,745</u>

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

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District is governed by a Board of Trustees, and provides the following services: collection, treatment, and disposal of sewage inside the district and also outside the 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 prepared and approved at the local level.

Note 4. 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 5. Long-Term Debt

The District has issued bonds to be paid by income derived from the acquired or constructed assets. The outstanding principal at December 31, 2006 and December 31, 2007, was \$770,000 and \$680,000, respectively.

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

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:	
Capital assets, not being depreciated:	
Land	\$ 10,465
Buildings	590,398
Improvements other than buildings	3,023,909
Machinery and equipment	<u>10,268</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 3,635,040</u>

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Revenue bonds:		
Sewer Works Revenue Bonds of 1994	\$ <u>680,000</u>	\$ <u>6,800</u>

ST. JOE-SPENCERVILLE REGIONAL SEWER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on June 24, 2008, with Samuel McClintock, Treasurer. Our examination disclosed no material items that warrant comment at this time.