

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

EXAMINATION REPORT
OF
PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
MONROE COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
10/17/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Richard Beard	01-01-06 to 12-31-08
President of the Board	Steven K. Emery	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE PERRY-CLEAR CREEK FIRE
PROTECTION DISTRICT, MONROE COUNTY, INDIANA

We have examined the financial information presented herein of the Perry-Clear Creek Fire Protection 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 Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 9, 2008

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 224,055	\$ 1,662,807	\$ 1,520,420	\$ 366,442
Rainy Day	28,157	115,129	81,155	62,131
Cumulative Fire	<u>152,480</u>	<u>47,253</u>	<u>43,114</u>	<u>156,619</u>
Totals	<u>\$ 404,692</u>	<u>\$ 1,825,189</u>	<u>\$ 1,644,689</u>	<u>\$ 585,192</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 366,442	\$ 1,587,003	\$ 1,639,520	\$ 313,925
Rainy Day	62,131	106,324	-	168,455
Cumulative Fire	<u>156,619</u>	<u>130,947</u>	<u>41,677</u>	<u>245,889</u>
Totals	<u>\$ 585,192</u>	<u>\$ 1,824,274</u>	<u>\$ 1,681,197</u>	<u>\$ 728,269</u>

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

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides public safety.

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 or highway use taxes are received 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.

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plans

A. Agent Multiple-Employer Defined Benefit Pension Plan

Public Employees' Retirement Fund

Plan Description

The District contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the District authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

B. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The Fire District contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Fund (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age fifty-five with twenty years of service. An employee with twenty years of service may leave service, but will not receive benefits until reaching age fifty-five. The plan also provides for death and disability benefits.

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL INFORMATION
(Continued)

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class firefighters' salary and the Fire District is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class firefighters' salary. The contribution requirements of plan members and the Fire District are established by the Board of Trustees of PERF. The Fire District's contributions to the plan for the years ending December 31, 2007, 2006, and 2005, were \$103,740, \$100,072, and \$90,720, respectively, equal to the required contributions for each year.

Note 7. Subsequent Event

The Fire District entered into a promissory note with The Peoples State Bank on August 4, 2008, in the amount of \$827,538 for two fire trucks.

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Fire District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital lease:		
2005 Tanker Truck	\$ 143,107	\$ 24,206
	<u>-</u>	<u>-</u>
Total governmental activities debt	<u>\$ 143,107</u>	<u>\$ 24,206</u>

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

Information presented for examination did not indicate an inventory or a record of capital assets using General Form 369 had been prepared.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Page 10-7)

PERRY-CLEAR CREEK FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on September 9, 2008, with Richard Beard, Fiscal Officer; Natalie Blais, Business Manager; and Jim Dunning, Business Administrator. The officials concurred with our finding.