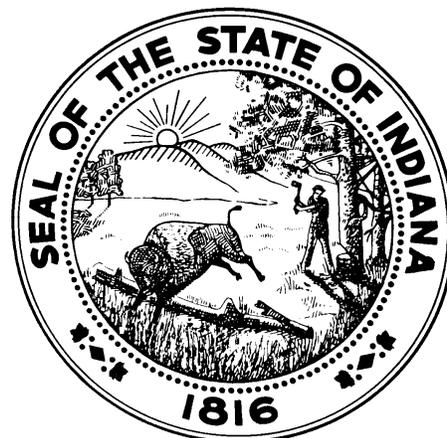


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

WEST PORTER TOWNSHIP
FIRE PROTECTION DISTRICT
PORTER COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
12/04/2008

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OFFICIALS

Office

Official

Term

Treasurer

Rae Jean Flesvig

01-01-06 to 12-31-08

Chairman of the Fire
District Board

Chuck Murray

01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WEST PORTER TOWNSHIP
FIRE PROTECTION DISTRICT, PORTER COUNTY, INDIANA

We have examined the financial information presented herein of the West Porter Township 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 Capital Assets, 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

October 24, 2008

WEST PORTER 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 65,416	\$ 109,543	\$ 89,727	\$ 85,232
Cumulative Fire	<u>63,262</u>	<u>52,177</u>	<u>23,725</u>	<u>91,714</u>
Totals	<u>\$ 128,678</u>	<u>\$ 161,720</u>	<u>\$ 113,452</u>	<u>\$ 176,946</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 85,232	\$ 35,247	\$ 92,925	\$ 27,554
Cumulative Fire	<u>91,714</u>	<u>16,731</u>	<u>-</u>	<u>108,445</u>
Totals	<u>\$ 176,946</u>	<u>\$ 51,978</u>	<u>\$ 92,925</u>	<u>\$ 135,999</u>

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

WEST PORTER TOWNSHIP 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 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.

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.

WEST PORTER TOWNSHIP FIRE PROTECTION DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
December 31, 2007

Capital assets are reported at actual historical cost.

	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 110,435</u>

WEST PORTER TOWNSHIP FIRE PROTECTION DISTRICT
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

As stated in the prior report, depository reconciliations of the fund balances to the bank account balances were not presented for examination. The bank account balance exceeded the record balance by \$2,127 at December 31, 2007.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

INTERNAL CONTROLS

As stated in the prior report, because bank account reconciliations were not performed accurately or timely, posting errors went undetected. Adjustments from the previous examination were not recorded and, therefore, the bank balances would not reconcile to the ledger balances. In addition, receipts for property tax distributions were posted to the wrong fund. There were also voided checks and posted disbursements that were never paid, but were still recorded as paid in the ledger. Adjustments of (\$19,506) and \$21,633 to the General and Cumulative Funds, respectively, were necessary to reconcile the bank balance to the record balances at December 31, 2007.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

WEST PORTER TOWNSHIP FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on October 24, 2008, with Rae Jean Flesvig, Treasurer; and David Hollenbeck, District Attorney. The officials concurred with our findings.