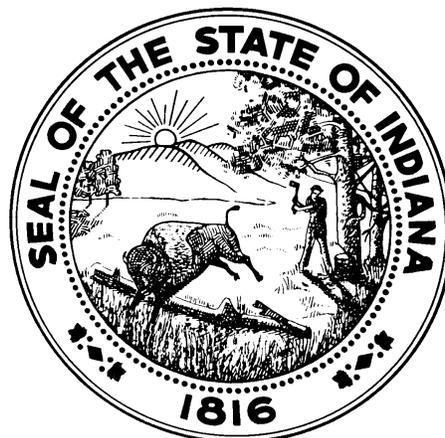


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
LOST CREEK FIRE PROTECTION DISTRICT
VIGO COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
10/06/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Tamara J. Caton	01-01-07 to 12-31-09
President of the Board	Charles R. Fox	01-01-07 to 12-31-09



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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE LOST CREEK FIRE PROTECTION DISTRICT, VIGO COUNTY, INDIANA

We have examined the financial information presented herein of the Lost Creek Fire Protection District (District), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 9, 2009

LOST CREEK FIRE PROTECTION DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 123,434	\$ 110,739	\$ 110,108	\$ 124,065
Rainy Day	-	17,616	-	17,616
Debt	96,887	3,383	-	100,270
	<u>220,321</u>	<u>131,738</u>	<u>110,108</u>	<u>241,951</u>
Totals	<u>\$ 220,321</u>	<u>\$ 131,738</u>	<u>\$ 110,108</u>	<u>\$ 241,951</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 124,065	\$ 108,068	\$ 98,050	\$ 134,083
Rainy Day	17,616	13,431	-	31,047
Debt	100,270	21,643	-	121,913
	<u>241,951</u>	<u>143,142</u>	<u>98,050</u>	<u>287,043</u>
Totals	<u>\$ 241,951</u>	<u>\$ 143,142</u>	<u>\$ 98,050</u>	<u>\$ 287,043</u>

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

LOST 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 operates under an appointed governing board and 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 (Indiana Code 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 (Indiana Code 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.

LOST CREEK FIRE PROTECTION DISTRICT
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

As stated in the prior two reports, B26253 and B30651, the Lost Creek Fire Protection District does not maintain a Capital Asset Ledger. The Financial Clerk should record the current inventory of capital assets, plus future asset additions and deletions in a Capital Assets Ledger.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

LOST CREEK FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on September 9, 2009, with Tamara J. Caton, Fiscal Officer. The official concurred with our finding.