

B37002

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

EXAMINATION REPORT  
OF  
BARGERSVILLE FIRE PROTECTION DISTRICT  
JOHNSON COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
05/18/2010



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OFFICIALS

Office

Official

Term

Fiscal Officer

Eric F. Reedy

01-01-08 to 12-31-10

President of the Board

Phil Rosa  
Steve Bechman

01-01-08 to 10-01-09  
10-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE BARGERSVILLE FIRE PROTECTION  
DISTRICT, JOHNSON COUNTY, INDIANA

We have examined the financial information presented herein of the Bargersville Fire Protection District (District), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, 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

April 26, 2010

BARGERSVILLE 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Special Fire General	\$ 253,202	2,502,669	\$ 2,681,075	\$ 74,796
Special Fire Cumulative	252,088	187,515	143,954	295,649
Fire Apparatus Capital Projects	5,294	12	-	5,306
Fire Station Capital Projects	72,166	500	10	72,656
Special Fire Debt	48,666	934,956	918,360	65,262
Fire Equipment (2005)	213,147	3,223	206,701	9,669
Fire Equipment (2007)	1,197,330	903,425	1,342,245	758,510
Rainy Day	22,310	84,342	84,342	22,310
Totals	<u>\$ 2,064,203</u>	<u>\$ 4,616,642</u>	<u>\$ 5,376,687</u>	<u>\$ 1,304,158</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Special Fire General	\$ 74,796	\$ 3,773,331	\$ 3,503,957	\$ 344,170
Special Fire Cumulative	295,649	182,832	302,432	176,049
Fire Apparatus Capital Projects	5,306	3	-	5,309
Fire Station Capital Projects	72,656	105	-	72,761
Special Fire Debt	65,262	1,121,329	917,461	269,130
Fire Equipment (2005)	9,669	15,471	37	25,103
Fire Equipment (2007)	758,510	750,602	796,041	713,071
Capital Projects (2009)	-	3,221,307	651,756	2,569,551
Rainy Day	22,310	66,283	-	88,593
Totals	<u>\$ 1,304,158</u>	<u>\$ 9,131,263</u>	<u>\$ 6,171,684</u>	<u>\$ 4,263,737</u>

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

BARGERSVILLE 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 the following services: fire protection for portions of White River, Union, and Franklin Townships, Johnson County, Indiana.

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.

BARGERSVILLE FIRE PROTECTION DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
For The Year Ended December 31, 2009

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:	
Machinery and equipment	<u>\$ 4,722,428</u>

BARGERSVILLE FIRE PROTECTION DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2009

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Improvements	\$ 246,592	\$ 252,861
2007 Loan	844,492	300,509
2009 Loan	<u>2,750,000</u>	<u>532,478</u>
Total governmental activities debt	<u>\$ 3,841,084</u>	<u>\$ 1,085,848</u>

BARGERSVILLE FIRE PROTECTION DISTRICT  
EXAMINATION RESULTS AND COMMENTS

OPTICAL IMAGES OF CHECKS

The financial institution did not return the actual cancelled checks with the monthly bank statements, but instead returned only an optical image of the front side of the checks.

IC 5-15-6-3 concerning optical imaging of checks states in part:

"(a) . . . 'original records' . . . includes the optical image of a check or deposit document when:

- (1) the check or deposit document is recorded, copied, or reproduced by an optical imaging process . . . ; and
- (2) the drawer of the check receives an optical image of the check after the check is processed for payment . . ."

Further, IC 26-2-8-111 states in part:

"(a) If a law requires that certain records be retained, that requirement is met by retaining an electronic record of the information in the record that:

- (1) accurately reflects the information set forth in the record after it was first generated in its final form as an electronic record or otherwise: and
- (2) remains accessible for later reference."

"(e) If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check in accordance with subsection (a)."

APPROVAL OF FORMS

The District was using the following forms which had not been approved for use in lieu of prescribed forms:

Quick Books General Ledger and Bank Reconciliations

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

BARGERSVILLE FIRE PROTECTION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on April 27, 2010, with Eric F. Reedy, Fiscal Officer.