

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

EXAMINATION REPORT  
OF  
SUGAR CREEK FIRE PROTECTION DISTRICT  
VIGO COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
04/07/2011



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Carol A. Holbert	01-01-08 to 12-31-11
President of the Board	Rick Wheat	01-01-08 to 12-31-11



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Sugar Creek 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

February 10, 2011

SUGAR CREEK 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:				
General	\$ 199,612	\$ 358,030	\$ 302,442	\$ 255,200
Rainy Day	-	23,380	-	23,380
	<u>199,612</u>	<u>381,410</u>	<u>302,442</u>	<u>278,580</u>
Totals	<u>\$ 199,612</u>	<u>\$ 381,410</u>	<u>\$ 302,442</u>	<u>\$ 278,580</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 255,200	\$ 411,243	\$ 559,964	\$ 106,479
Rainy Day	23,380	11,283	-	34,663
Debt Service	-	187,049	114,740	72,309
	<u>278,580</u>	<u>609,575</u>	<u>674,704</u>	<u>213,451</u>
Totals	<u>\$ 278,580</u>	<u>\$ 609,575</u>	<u>\$ 674,704</u>	<u>\$ 213,451</u>

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

SUGAR 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 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.

Note 6. Subsequent Event

On January 3, 2011, the District paid the balance on the fire truck lease which had an annual payment of \$8,725 through January 21, 2017. This resulted in a savings of \$8,436 of interest expense over the remaining life of the lease.

SUGAR CREEK FIRE PROTECTION DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2009

Capital assets are reported at actual historical 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	\$ 45,500
Buildings	172,884
Machinery and equipment	<u>834,223</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,052,607</u>

SUGAR CREEK 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:		
Capital leases:		
Fire protection equipment	\$ 51,510	\$ 8,725
Bonds payable:		
General obligation bonds:		
Fire protection equipment	<u>463,652</u>	<u>57,051</u>
Total governmental activities debt	<u>\$ 515,162</u>	<u>\$ 65,776</u>

SUGAR CREEK FIRE PROTECTION DISTRICT  
EXAMINATION RESULT AND COMMENT

PRESCRIBED FORMS

As stated in the prior Report B33423, the following prescribed forms were not in use:

General Form 353, Check  
General Form 354, Claim  
General Form 358, Ledger of Receipts,  
Disbursements, and Balances

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 21)

SUGAR CREEK FIRE PROTECTION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on February 10, 2011, with Carol A. Holbert, Treasurer. The official concurred with our finding.