B28589

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT

OF

BARGERSVILLE FIRE PROTECTION DISTRICT

JOHNSON COUNTY, INDIANA

January 1, 1999 to December 31, 2005

FILED
10/31/2006

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OFFICIALS

Office	Official	Term
Fiscal Officer	Gayle Allard	01-01-99 to 09-30-05
	Eric F. Reedy	10-01-05 to 12-31-06
President of the Board	Phil Rosa	01-01-99 to 12-31-06

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Bargersville Fire Protection District (District), for the period of January 1, 1999 to December 31, 2005. The District's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the District for the years ended December 31, 1999, 2000, 2001, 2002, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

October 5, 2006

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, 1999, 2000, 2001, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-99	Receipts	Disbursements	Cash and Investments 12-31-99
Governmental Fund:				
Special Fire General	$ 60,927	$ 564,115	$ 551,267	$ 73,775

	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
Governmental Fund:				
Special Fire General	$ 73,775	$ 575,800	$ 648,190	$ 1,385

	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
Governmental Fund:				
Special Fire General	$ 1,385	$ 696,913	$ 667,084	$ 31,214

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
Special Fire General	$ 31,214	$ 756,967	$ 685,911	$ 102,270
Special Fire Cumulative	-	95,067	-	95,067
Totals	$ 31,214	$ 852,034	$ 685,911	$ 197,337

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
Special Fire General	$ 102,270	$ 763,067	$ 783,236	$ 82,101
Special Fire Cumulative	95,067	93,056	-	188,123
Fire Apparatus Capital Projects	-	400,000	-	400,000
Fire Station Capital Projects	-	1,600,000	-	1,600,000
Totals	$ 197,337	$ 2,856,123	$ 783,236	$ 2,270,224

The accompanying notes are an integral part of the financial statements

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, 1999, 2000, 2001, 2002, 2003, 2004, And 2005
(Continued)

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
Special Fire General	$ 82,101	$ 827,945	$ 802,657	$ 107,389
Special Fire Cumulative	188,123	99,639	-	287,762
Fire Apparatus Capital Projects	400,000	41,689	423,711	17,978
Fire Station Capital Projects	1,600,000	148,988	476,535	1,272,453
Special Fire Debt	-	564,401	365,712	198,689
Rainy Day	-	22,310	-	22,310
Totals	$ 2,270,224	$ 1,704,972	$ 2,068,615	$ 1,906,581

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Special Fire General	$ 107,389	$ 1,501,008	$ 1,182,411	$ 425,986
Special Fire Cumulative	287,762	107,778	244,211	151,329
Fire Apparatus Capital Projects	17,978	1,025	13,748	5,255
Fire Station Capital Projects	1,272,453	449,227	1,293,202	428,478
Special Fire Debt	198,689	618,852	619,134	198,407
Fire Equipment	-	1,487,224	163,514	1,323,710
Rainy Day	22,310	-	-	22,310
Totals	$ 1,906,581	$ 4,165,114	$ 3,516,220	$ 2,555,475

The accompanying notes are an integral part of the financial statements

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: public safety and health and social 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. 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.

Note 6. Long-Term Debt

The District has entered into debt including bonds for fire station construction, fire apparatus and equipment, and a loan for a fire truck. The outstanding principal at December 31, 2005, was $1,097,905, $1,154,314, and $275,631, respectively.

Note 7. Subsequent Event

The District hired full-time firefighters and began to operate the Fire Department in 2006.

OFFICIAL BOND

The following official bond was not filed in the office of the County Recorder:

Eric F. Reedy, Fiscal Officer

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

CAPITAL ASSETS

Information presented for audit did not indicate an inventory or record of capital assets using Form 369.

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 Capital Assets 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, Chapters 10 and 16)

APPROVAL OF FORMS

The Bargersville Fire Protection 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)

RECEIPT ISSUANCE

As stated in the prior Audit Report B10953, the information presented for audit indicates in some instances receipts were not issued or recorded. Receipt, General Form 352, is prescribed for this purpose.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

SUPPORTING DOCUMENTATION

As stated in the prior Audit Report B10953, several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (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 October 10, 2006, with Eric F. Reedy, Fiscal Officer. The official concurred with our findings.