

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

EXAMINATION REPORT  
OF  
INDIAN BOUNDARY CONSERVANCY DISTRICT  
PORTER COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
11/09/2007



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OFFICIALS

Office

Official

Term

Financial Clerk

Joanne L. Lewis

01-01-05 to 12-31-07

Chairman of the Board

Roger E. Wolff  
Raymond Rutkowski

01-01-05 to 06-12-07  
06-13-07 to 12-31-07



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

TO: THE OFFICIALS OF THE INDIAN BOUNDARY CONSERVANCY  
DISTRICT, PORTER COUNTY, INDIANA

We have examined the financial information presented herein of the Indian Boundary Conservancy District (District), for the period of January 1, 2005 to December 31, 2006. 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, 2005 and 2006, 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

September 26, 2007

INDIAN BOUNDARY CONSERVANCY DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 81,532	\$ 99,075	\$ 109,761	\$ 70,846
Cumulative Improvement	169,718	10,011	10,473	169,256
Proprietary Fund:				
Enterprise	<u>234,783</u>	<u>94,657</u>	<u>114,139</u>	<u>215,301</u>
Totals	<u>\$ 486,033</u>	<u>\$ 203,743</u>	<u>\$ 234,373</u>	<u>\$ 455,403</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 70,846	\$ 93,143	\$ 112,360	\$ 51,629
Cumulative Improvement	169,256	14,602	-	183,858
Proprietary Fund:				
Enterprise	<u>215,301</u>	<u>116,280</u>	<u>99,906</u>	<u>231,675</u>
Totals	<u>\$ 455,403</u>	<u>\$ 224,025</u>	<u>\$ 212,266</u>	<u>\$ 467,162</u>

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

INDIAN BOUNDARY CONSERVANCY 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: wastewater and general administrative 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

Reassessment and Property Taxes

In accordance with state statutes, all counties were required to reassess property values prior to billing taxes in 2007. Significant delays in the reassessment process have resulted in delays in billing taxes in 2007. Currently tax bills have not been mailed for the spring or fall installment normally due in May and November. Officials anticipate billing the 2006 pay 2007 property taxes in late November 2007. The taxes will be due and payable in one installment with an anticipated due date of December 15, 2007. Officials anticipate settlement will be in the beginning of March 2008.

INDIAN BOUNDARY CONSERVANCY DISTRICT  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2006

Capital assets are reported at actual cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Infrastructure	\$ 2,801,292
Machinery and equipment	<u>5,367</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 2,806,659</u>

INDIAN BOUNDARY CONSERVANCY DISTRICT  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
Construction of sewer infrastructure	\$ 155,000	\$ 75,000

INDIAN BOUNDARY CONSERVANCY DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on September 26, 2007, with Joanne L. Lewis, Financial Clerk. Our examination disclosed no material items that warrant comment at this time.