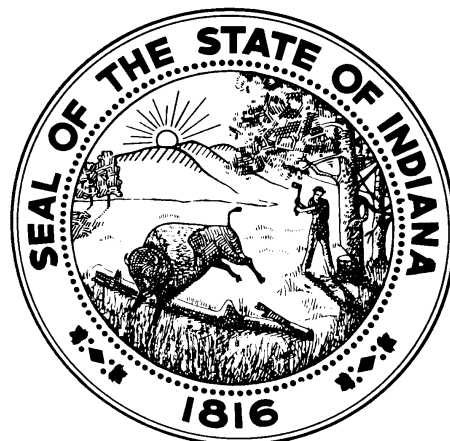


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
BARGERSVILLE FIRE PROTECTION DISTRICT
JOHNSON COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

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OFFICIALS

Office

Official

Term

Fiscal Officer

Eric F. Reedy

01-01-06 to 12-31-08

President of the Board

Phil Rosa

01-01-06 to 12-31-08



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, 2006 to December 31, 2007. 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 present fairly, in all material respects, the financial information of the District for the years ended December 31, 2006 and 2007, 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 29, 2008

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, 2006 and 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Special Fire General	\$ 425,986	\$ 1,315,320	\$ 1,355,446	\$ 385,860
Special Fire Cumulative	151,329	117,181	34,998	233,512
Fire Apparatus Capital Projects	5,255	16	-	5,271
Fire Station Capital Projects	428,478	1,602	358,917	71,163
Special Fire Debt	198,407	463,433	619,134	42,706
Fire Equipment 2005	1,323,710	1,275,299	2,317,694	281,315
Rainy Day	22,310	-	-	22,310
Totals	<u>\$ 2,555,475</u>	<u>\$ 3,172,851</u>	<u>\$ 4,686,189</u>	<u>\$ 1,042,137</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Special Fire General	\$ 385,860	\$ 2,079,120	\$ 2,211,778	\$ 253,202
Special Fire Cumulative	233,512	125,301	106,725	252,088
Fire Apparatus Capital Projects	5,271	23	-	5,294
Fire Station Capital Projects	71,163	1,003	-	72,166
Special Fire Debt	42,706	925,498	919,538	48,666
Fire Equipment 2005	281,315	7,393	75,561	213,147
Fire Equipment 2007		2,018,512	821,182	1,197,330
Rainy Day	22,310	-	-	22,310
Totals	<u>\$ 1,042,137</u>	<u>\$ 5,156,850</u>	<u>\$ 4,134,784</u>	<u>\$ 2,064,203</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, 2007

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>1,522,153</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,522,153</u>

BARGERSVILLE FIRE PROTECTION DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Fire Protection District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
2003 Fire Truck \$400,000	\$ 176,143	\$ 73,688
2003 Fire Station \$1,600,000	700,670	292,584
2005 Fire Apparatus and Equipment \$1,365,000	<u>828,095</u>	<u>252,860</u>
 Total governmental activities debt	 <u>\$ 1,704,908</u>	 <u>\$ 619,132</u>

BARGERSVILLE FIRE PROTECTION DISTRICT
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BONDS

The following official bonds were not filed in the office of the County Recorder: Treasurer Bond.

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. . . ."

OPTICAL IMAGES OF WARRANTS

The District's financial institution did not return the original cancelled checks with the monthly bank statements. The financial institution provided optical imaging of the front of the original issued checks. No optical image was provided of the back of the original issued check. As a result, information pertaining to check endorsements and other banking information was not available for the examination period.

Indiana Code 5-15-6-3(a) concerning optical imaging of checks, states in part:

". . . '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, Indiana Code 26-2-8-111(a) and (e) 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

As stated in prior Report B28589, 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)

BARGERSVILLE FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on November 5, 2008, with Eric F. Reedy, Fiscal Officer.