

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

EXAMINATION REPORT
OF
WALDRON CONSERVANCY DISTRICT
SHELBY COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
12/30/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Clerk	Joe Runnebohm	01-01-07 to 12-31-09
President of the Board of Directors	Jack L. Knoll	01-01-07 to 12-31-09
Superintendent	Ron Fuchs	01-01-07 to 12-31-09



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WALDRON CONSERVANCY DISTRICT, SHELBY COUNTY, INDIANA

We have examined the financial information presented herein of the Waldron Conservancy District (District), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, 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 a required part 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

November 24, 2009

WALDRON 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, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Fund:				
General (Wastewater Services)	\$ 430,254	\$ 18,346	\$ 62,642	\$ 385,958
Proprietary Funds:				
Water Utility - Operating	148,710	97,174	97,361	148,523
Water Utility - Bond and Interest	8,176	9,643	9,553	8,266
Water Utility - Debt Service Reserve	10,100	-	-	10,100
Water Utility - Customer Deposit	9,259	1,575	1,475	9,359
Totals	<u>\$ 606,499</u>	<u>\$ 126,738</u>	<u>\$ 171,031</u>	<u>\$ 562,206</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Fund:				
General (Wastewater Services)	\$ 385,958	\$ 90,432	\$ 71,378	\$ 405,012
Proprietary Funds:				
Water Utility - Operating	148,523	92,857	99,428	141,952
Water Utility - Bond and Interest	8,266	9,663	9,568	8,361
Water Utility - Debt Service Reserve	10,100	-	-	10,100
Water Utility - Customer Deposit	9,359	1,300	1,609	9,050
Totals	<u>\$ 562,206</u>	<u>\$ 194,252</u>	<u>\$ 181,983</u>	<u>\$ 574,475</u>

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

WALDRON 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 services (funded by property taxation), water utility (funded by user charges), 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 (for wastewater services) 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.

WALDRON CONSERVANCY DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2008

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:	
Wastewater Services:	
Capital assets, not being depreciated:	
Land	\$ 27,050
Buildings	16,500
Improvements other than buildings	155,100
Machinery and equipment	<u>67,941</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u>266,591</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Water Utility:	
Capital assets, not being depreciated:	
Land	\$ 10,750
Buildings	16,500
Distribution Lines	215,588
Water Supply Facilities	279,323
Storage Tanks	367,300
Transportation Equipment	22,532
Miscellaneous Equipment	<u>23,798</u>
 Total business-type activities, capital assets not being depreciated	 \$ <u>935,791</u>

WALDRON CONSERVANCY DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Business-type activities:		
Water Utility:		
Revenue bonds:		
Water Tower State Revolving Loan	\$ 118,000	\$ 9,568
Water Tower DNR Loan	<u>82,500</u>	<u>11,625</u>
 Total Water Utility	 <u>\$ 200,500</u>	 <u>\$ 21,193</u>

WALDRON CONSERVANCY DISTRICT
EXAMINATION RESULT AND COMMENT

OFFICIAL BOND

The official bond was not filed in the Office of the County Recorder for Joe Runnebohm, Financial Clerk.

IC 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. . . ."

WALDRON CONSERVANCY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on November 24, 2009, with Joe Runnebohm, Financial Clerk; and Ron Fuchs, Superintendent. The officials concurred with our finding.