

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

EXAMINATION REPORT
OF
BLUE RIVER REGIONAL WATER DISTRICT
CRAWFORD 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>
Treasurer	Gloria J. Bullington David Mauck	01-01-07 to 12-31-08 01-01-09 to 12-31-09
Manager	Gary W. Holloway	01-01-07 to 12-31-09
Financial Clerk	Lisa Roberts	01-01-07 to 12-31-09
President of the Board	Donald R. Cook Eric Satterfield	01-01-07 to 12-31-08 01-01-09 to 12-31-09



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BLUE RIVER REGIONAL
WATER DISTRICT, CRAWFORD COUNTY, INDIANA

We have examined the financial information presented herein of Blue River Regional Water 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 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

November 19, 2009

BLUE RIVER REGIONAL WATER DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
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
Proprietary Funds:				
Operating	\$ 151,409	\$ 860,997	\$ 790,885	\$ 221,521
Bond and Interest	50,348	56,033	104,487	1,894
Debt Reserve	58,994	292	-	59,286
Customer Deposit	24,120	6,180	6,690	23,610
	<u>284,871</u>	<u>923,502</u>	<u>902,062</u>	<u>306,311</u>
Totals	<u>\$ 284,871</u>	<u>\$ 923,502</u>	<u>\$ 902,062</u>	<u>\$ 306,311</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Proprietary Funds:				
Operating	\$ 221,521	\$ 867,883	\$ 813,351	\$ 276,053
Bond and Interest	1,894	92,640	72,611	21,923
Debt Reserve	59,286	129	-	59,415
Construction	-	20,000	-	20,000
Customer Deposit	23,610	6,950	6,200	24,360
	<u>306,311</u>	<u>987,602</u>	<u>892,162</u>	<u>401,751</u>
Totals	<u>\$ 306,311</u>	<u>\$ 987,602</u>	<u>\$ 892,162</u>	<u>\$ 401,751</u>

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

BLUE RIVER REGIONAL WATER 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: water treatment 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. 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 4. Pension Plan

Public Employees' Retirement Fund

Plan Description

The District contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the District authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

BLUE RIVER REGIONAL WATER 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>
Business-type activities:	
Capital assets, not being depreciated:	
Land	\$ 38,184
Buildings	143,150
Improvements other than buildings	2,556,056
Machinery and equipment	<u>119,608</u>
Total business-type activities capital assets	<u>\$ 2,856,998</u>

BLUE RIVER REGIONAL WATER 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:		
Notes and Loans payable	\$ 64,197	\$ 14,279
Revenue bonds:		
2002 Waterworks Revenue Bonds	<u>375,000</u>	<u>57,750</u>
Total business-type activities debt	<u>\$ 439,197</u>	<u>\$ 72,029</u>

BLUE RIVER REGIONAL WATER DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on November 19, 2009, with Eric Satterfield, President of the Board; Gary W. Holloway, Manager; and Lisa Roberts, Financial Clerk. Our examination disclosed no material items that warrant comment at this time.