

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

EXAMINATION REPORT
OF

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT AND
REGIONAL PLANNING COMMISSION
CLARK COUNTY, INDIANA

January 1, 2007 to December 31, 2009



FILED
11/19/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Jill S. Saegesser	01-01-07 to 12-31-10
Treasurer	Perry L. Smith	01-01-07 to 12-31-10
Chairman of the Board	William H. Graham	01-01-07 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT
AND REGIONAL PLANNING COMMISSION, CLARK COUNTY, INDIANA

We have examined the financial information presented herein of the River Hills Economic Development District and Regional Planning Commission (Commission), for the period of January 1, 2007 to December 31, 2009. The Commission'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 Commission for the years ended December 31, 2007, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 7, 2010

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT AND REGIONAL PLANNING COMMISSION
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 188,748	\$ 539,693	\$ 345,273	\$ 383,168
Grant Funds	<u>(28,241)</u>	<u>112,438</u>	<u>159,477</u>	<u>(75,280)</u>
Totals	<u>\$ 160,507</u>	<u>\$ 652,131</u>	<u>\$ 504,750</u>	<u>\$ 307,888</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 383,168	\$ 156,934	\$ 313,714	\$ 226,388
Grant Funds	<u>(75,280)</u>	<u>156,744</u>	<u>130,780</u>	<u>(49,316)</u>
Totals	<u>\$ 307,888</u>	<u>\$ 313,678</u>	<u>\$ 444,494</u>	<u>\$ 177,072</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 226,388	\$ 448,464	\$ 368,968	\$ 305,884
Grant Funds	<u>(49,316)</u>	<u>177,685</u>	<u>218,113</u>	<u>(89,744)</u>
Totals	<u>\$ 177,072</u>	<u>\$ 626,149</u>	<u>\$ 587,081</u>	<u>\$ 216,140</u>

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

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT AND
REGIONAL PLANNING COMMISSION,
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Commission was established under the laws of the State of Indiana. The Commission operates under an appointed governing board consisting of representatives within a region comprised of Clark, Floyd, Harrison, Scott, and Washington Counties. The Commission provides planning services and technical assistance to governmental units within the region.

Note 2. Fund Accounting

The Commission 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.

Note 4. 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 5. County Membership Assessments

Assessment of each participating county is made on a per capita basis applied to the annual appropriation request adopted by the Commission. Population figures utilized are those of the last preceding federal decennial census.

Note 6. Cash and Investment Balance Deficit

At December 31, 2007, 2008, and 2009, the Grant Fund reported deficits in cash and investment. The deficits arose from disbursements allocated to various grant programs exceeding grant receipts. These deficits are to be repaid from future grant receipts.

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT AND REGIONAL PLANNING COMMISSION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2009

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.

General infrastructure assets (those reported by governmental activities) are included regardless of their acquisition date or amount. The government was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 398,872
Machinery and equipment	<u>169,448</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 568,320</u>

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT AND
REGIONAL PLANNING COMMISSION
EXAMINATION RESULT AND COMMENT

ANNUAL REPORT NOT FILED TIMELY

The 2009 Special District Annual Report (SDAR) that reports the financial activity and cash and investment balances was not filed with the Indiana State Board of Accounts until July 2010.

IC 5-11-1-4 states in part:

". . . The state examiner shall require from every . . . local governmental unit . . . financial reports covering the full period of each fiscal year. These reports shall be . . . filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner . . ."

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 1)

RIVER HILLS ECONOMIC DEVELOPMENT DISTRICT
AND REGIONAL PLANNING COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on September 7, 2010, with Perry L. Smith, Treasurer, and Jill S. Saegesser, Executive Director. The officials concurred with our finding.