B43149

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

WHITELAND FIRE PROTECTION DISTRICT

JOHNSON COUNTY, INDIANA

January 1, 2010 to December 31, 2012

FILED
01/24/2014

TABLE OF CONTENTS

SCHEDULE OF OFFICIALS

Office	Official	Term
President	Ranny Lewis	01-01-10 to 12-31-14
Vice President	Don Devore	01-01-10 to 12-31-14
Recording Secretary	Pam Sanders	01-01-10 to 12-31-14
Treasurer	Gary Stofer	01-01-10 to 12-31-14

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WHITELAND FIRE PROTECTION DISTRICT, JOHNSON COUNTY, INDIANA

We have examined the accompanying financial statements of the Whiteland Fire Protection District (District), for the period of January 1, 2010 to December 31, 2012. The financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on the financial statements 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the District prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the District for the period of January 1, 2010 to December 31, 2012.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the District for the period of January 1, 2010 to December 31, 2012, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the District's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

Paul D. Joyce

Paul D. Joyce, CPA
State Examiner

December 30, 2013

(This page intentionally left blank.)

FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the District. The financial statements and notes are presented as intended by the District.

WHITELAND FIRE PROTECTION DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Fund	$ 270,432	$ 332,877	$ 199,447	$ 403,862
Excess Levy Fund	-	993	-	993
Fire Debt Service Fund	31,816	51,958	82,779	995
Fire Building Debt Fund	17,603	145,137	183,225	(20,485)
Rainy Day Fund	50,769	-	-	50,769
Totals	$ 370,620	$ 530,965	$ 465,451	$ 436,134

The notes to the financial statements are an integral part of this statement.

WHITELAND FIRE PROTECTION DISTRICT
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Years Ended December 31, 2011 And 2012

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11	Receipts	Disbursements	Cash and Investments 12-31-12
General Fund	$ 403,862	$ 396,558	$ 209,401	$ 591,019	$ 180,263	$ 429,747	$ 341,535
Rainy Day Fund	50,769	-	-	50,769	-	-	50,769
Excess Levy	993	-	-	993	-	-	993
Cumulative Fund	-	-	-	-	55,362	-	55,362
Fire Building Debt Fund	(20,485)	193,587	186,132	(13,030)	222,676	187,120	22,526
Fire Tanker Debt Fund	-	-	-	-	-	18,179	(18,179)
Fire Debt Service	995	29,825	30,820	-	-	-	-
Totals	$ 436,134	$ 619,970	$ 426,353	$ 629,751	$ 458,301	$ 635,046	$ 453,006

The notes to the financial statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The District was established under the laws of the State of Indiana. The District operates under an appointed governing board.

The accompanying financial statements present the financial information for the District.

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the District.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the District. It includes all expenditures for the reduction of the principal and interest of the District's general obligation indebtedness.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The District may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the District. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the District. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the District in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the District submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the District in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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. Risk Management

The District may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the District to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

Note 6. Cash Balance Deficits

The financial statement contains some funds with deficits in cash. This is a result of spending more than fund balance.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the District's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the District's Annual Report information for years 2011 and later can be found on the Gateway website: https://gateway.ifionline.org/.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the District which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the District. It is presented as intended by the District.

WHITELAND FIRE PROTECTION DISTRICT
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2010

	General Fund	Excess Levy Fund	Fire Debt Service Fund	Fire Building Debt Fund	Rainy Day Fund	Totals
Cash and investments - beginning	$ 270,432	$ -	$ 31,816	$ 17,603	$ 50,769	$ 370,620
Receipts:						
Intergovernmental	332,877	993	51,958	145,137	-	530,965
Other receipts	-	-	-	-	-	-
Total receipts	332,877	993	51,958	145,137	-	530,965
Disbursements:						
Personal services	3,290	-	-	-	-	3,290
Supplies	540	-	-	-	-	540
Other services and charges	195,553	-	-	-	-	195,553
Capital outlay	64	-	-	-	-	64
Other disbursements	-	-	82,779	183,225	-	266,004
Total disbursements	199,447	-	82,779	183,225	-	465,451
Excess (deficiency) of receipts over disbursements	133,430	993	(30,821)	(38,088)	-	65,514
Cash and investments - ending	$ 403,862	$ 993	$ 995	$ (20,485)	$ 50,769	$ 436,134

WHITELAND FIRE PROTECTION DISTRICT
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2011

	General Fund	Rainy Day Fund	Excess Levy	Fire Building Debt Fund	Fire Debt Service	Totals
Cash and investments - beginning	$ 403,862	$ 50,769	$ 993	$ (20,485)	$ 995	$ 436,134
Receipts:						
Taxes	80,640	-	-	-	-	80,640
Intergovernmental	115,835	-	-	-	-	115,835
Other receipts	200,083	-	-	193,587	29,825	423,495
Total receipts	396,558	-	-	193,587	29,825	619,970
Disbursements:						
Personal services	10,556	-	-	-	-	10,556
Supplies	456	-	-	-	-	456
Other services and charges	198,389	-	-	-	-	198,389
Debt service - principal and interest	-	-	-	-	30,820	30,820
Other disbursements	-	-	-	186,132	-	186,132
Total disbursements	209,401	-	-	186,132	30,820	426,353
Excess (deficiency) of receipts over disbursements	187,157	-	-	7,455	(995)	193,617
Cash and investments - ending	$ 591,019	$ 50,769	$ 993	$ (13,030)	$ -	$ 629,751

WHITELAND FIRE PROTECTION DISTRICT
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For The Year Ended December 31, 2012

	General Fund	Rainy Day Fund	Excess Levy	Cumulative Fund	Fire Building Debt Fund	Fire Tanker Debt Fund	Totals
Cash and investments - beginning	$ 591,019	$ 50,769	$ 993	$ -	$ (13,030)	$ -	$ 629,751
Receipts:							
Taxes	180,263	-	-	55,362	-	-	235,625
Other receipts	-	-	-	-	222,676	-	222,676
Total receipts	180,263	-	-	55,362	222,676	-	458,301
Disbursements:							
Debt service - principal and interest	-	-	-	-	-	18,179	18,179
Other disbursements	-	-	-	-	187,120	-	187,120
Total disbursements	429,747	-	-	-	187,120	18,179	635,046
Excess (deficiency) of receipts over disbursements	(249,484)	-	-	55,362	35,556	(18,179)	(176,745)
Cash and investments - ending	$ 341,535	$ 50,769	$ 993	$ 55,362	$ 22,526	$ (18,179)	$ 453,006

WHITELAND FIRE PROTECTION DISTRICT
SCHEDULE OF LEASES AND DEBT
December 31, 2012

Description of Debt		Ending Principal	Principal and Interest Due Within One
Type	Purpose	Balance	Year
Governmental activities:			
Notes and loans payable	Fire Bldg Debt	$ 185,885	$ 191,162
Totals		$ 185,885	$ 191,162

(This page intentionally left blank.)

WHITELAND FIRE PROTECTION DISTRICT
SCHEDULE OF CAPITAL ASSETS
December 31, 2012

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.

		Ending Balance
Governmental activities:		
Land	$	73,880
Buildings		2,966,490
Machinery, equipment, and vehicles		881,898
Total governmental activities		3,922,268
Total capital assets	$	3,922,268

ANNUAL REPORT

The Annual Report for 2010, 2011, and 2012, contained a number of errors and did not properly reflect the financial activity of the Whiteland Fire Protection District. Adjustments were approved by the District and are reflected in this report.

Indiana Code 5-11-1-4(a) states:

> "The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not conducted. The District performed a reconciliation of the bank balance to the check book balance, but the check book balance did not agree to what was reflected in the funds ledger.

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

Fund	Years	Excess Amount Expended
Fire Debt	2010	$ 1,093.59
General	2012	151,457.00

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OVERDRAWN CASH BALANCES

The financial statements presented in this report included the following funds with overdrawn cash balances at end of year:

Fund	Amount Overdrawn
2010 Fire Building Debt Fund	$ 20,485
2011 Fire Building Debt Fund	13,030
2012 Fire Debt Service	18,179

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

WHITELAND FIRE PROTECTION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on December 30, 2013, with Pam Sanders, Recording Secretary, and Don Devore, Vice President. The officials concurred with our findings.