

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

FINANCIAL STATEMENTS EXAMINATION REPORT  
OF

NORTHEAST DUBOIS COUNTY  
FIRE PROTECTION DISTRICT  
DUBOIS COUNTY, INDIANA

January 1, 2012 to December 31, 2016



**FILED**  
04/04/2017



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Fiscal Officer	Ruth Leistner	01-01-12 to 12-31-17
President of the Board	Steve Dodd	01-01-12 to 12-31-17



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NORTHEAST DUBOIS COUNTY  
FIRE PROTECTION DISTRICT, DUBOIS COUNTY, INDIANA

We have examined the accompanying financial statements of the Northeast Dubois County Fire Protection District (District), for the period of January 1, 2012 to December 31, 2016. The District's management is responsible for the financial statements. 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 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 to the financial statements, 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.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present, 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, 2012 to December 31, 2016.

In our opinion, the financial statements referred to above present, in all material respects, the financial position and results of operations of the District for the period of January 1, 2012 to December 31, 2016, based on the prescribed 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, 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

March 8, 2017

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## FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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.

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NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2012 and 2013

Fund	Cash and Investments 01-01-12	Receipts	Disbursements	Cash and Investments 12-31-12	Receipts	Disbursements	Cash and Investments 12-31-13
General Fund	\$ 55,716	\$ 88,941	\$ 71,701	\$ 72,956	\$ 88,016	\$ 70,778	\$ 90,194
Levy Excess Fund	157	-	157	-	-	-	-
Capital Projects	<u>42,188</u>	<u>36,293</u>	<u>-</u>	<u>78,481</u>	<u>41,058</u>	<u>-</u>	<u>119,539</u>
Totals	<u>\$ 98,061</u>	<u>\$ 125,234</u>	<u>\$ 71,858</u>	<u>\$ 151,437</u>	<u>\$ 129,074</u>	<u>\$ 70,778</u>	<u>\$ 209,733</u>

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

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2014 and 2015

Fund	Cash and Investments 01-01-14	Receipts	Disbursements	Cash and Investments 12-31-14	Receipts	Disbursements	Cash and Investments 12-31-15
General Fund	\$ 90,194	\$ 89,925	\$ 70,863	\$ 109,256	\$ 93,885	\$ 70,720	\$ 132,421
Levy Excess Fund	-	317	-	317	-	317	-
Capital Projects	<u>119,539</u>	<u>41,104</u>	<u>130</u>	<u>160,513</u>	<u>42,397</u>	<u>2,040</u>	<u>200,870</u>
Totals	<u>\$ 209,733</u>	<u>\$ 131,346</u>	<u>\$ 70,993</u>	<u>\$ 270,086</u>	<u>\$ 136,282</u>	<u>\$ 73,077</u>	<u>\$ 333,291</u>

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

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2016

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16
General Fund	\$ 132,421	\$ 96,703	\$ 70,819	\$ 158,305
Rainy Day Fund	-	12,403	-	12,403
Levy Excess Fund	-	167	-	167
Capital Projects	<u>200,870</u>	<u>42,927</u>	<u>68</u>	<u>243,729</u>
Totals	<u>\$ 333,291</u>	<u>\$ 152,200</u>	<u>\$ 70,887</u>	<u>\$ 414,604</u>

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

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS

**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.* Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's 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.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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.* Amounts received from various sources, including, but 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.

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*E. Disbursements*

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

*Personal services.* Amounts disbursed 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.* Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

*Capital outlay.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Other disbursements.* Amounts disbursed for various other purposes including, but 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, make transfers 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 amounts 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 amounts 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

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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, the following: 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.

#### OTHER INFORMATION - UNEXAMINED

The District's Annual Financial Report information 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 District's Annual Financial Report 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 other information presented was approved by management of the District. It is presented as intended by the District.

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NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2012

	General Fund	Levy Excess Fund	Capital Projects	Totals
Cash and investments - beginning	\$ 55,716	\$ 157	\$ 42,188	\$ 98,061
Receipts:				
Taxes	51,882	-	32,336	84,218
Intergovernmental receipts	36,646	-	3,957	40,603
Other receipts	<u>413</u>	<u>-</u>	<u>-</u>	<u>413</u>
Total receipts	<u>88,941</u>	<u>-</u>	<u>36,293</u>	<u>125,234</u>
Disbursements:				
Personal services	2,530	-	-	2,530
Supplies	223	-	-	223
Other services and charges	334	-	-	334
Other disbursements	<u>68,614</u>	<u>157</u>	<u>-</u>	<u>68,771</u>
Total disbursements	<u>71,701</u>	<u>157</u>	<u>-</u>	<u>71,858</u>
Excess (deficiency) of receipts over disbursements	<u>17,240</u>	<u>(157)</u>	<u>36,293</u>	<u>53,376</u>
Cash and investments - ending	<u><u>\$ 72,956</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 78,481</u></u>	<u><u>\$ 151,437</u></u>

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2013

	General Fund	Levy Excess Fund	Capital Projects	Totals
Cash and investments - beginning	\$ 72,956	\$ -	\$ 78,481	\$ 151,437
Receipts:				
Taxes	53,171	-	37,147	90,318
Intergovernmental receipts	34,449	-	3,911	38,360
Other receipts	396	-	-	396
Total receipts	<u>88,016</u>	<u>-</u>	<u>41,058</u>	<u>129,074</u>
Disbursements:				
Personal services	2,530	-	-	2,530
Other services and charges	248	-	-	248
Capital outlay	68,000	-	-	68,000
Total disbursements	<u>70,778</u>	<u>-</u>	<u>-</u>	<u>70,778</u>
Excess of receipts over disbursements	<u>17,238</u>	<u>-</u>	<u>41,058</u>	<u>58,296</u>
Cash and investments - ending	<u>\$ 90,194</u>	<u>\$ -</u>	<u>\$ 119,539</u>	<u>\$ 209,733</u>

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2014

	General Fund	Levy Excess Fund	Capital Projects	Totals
Cash and investments - beginning	\$ 90,194	\$ -	\$ 119,539	\$ 209,733
Receipts:				
Taxes	53,601	-	36,769	90,370
Intergovernmental receipts	35,911	-	4,335	40,246
Other receipts	413	317	-	730
Total receipts	<u>89,925</u>	<u>317</u>	<u>41,104</u>	<u>131,346</u>
Disbursements:				
Personal services	2,570	-	-	2,570
Other services and charges	106	-	-	106
Other disbursements	68,187	-	130	68,317
Total disbursements	<u>70,863</u>	<u>-</u>	<u>130</u>	<u>70,993</u>
Excess of receipts over disbursements	<u>19,062</u>	<u>317</u>	<u>40,974</u>	<u>60,353</u>
Cash and investments - ending	<u>\$ 109,256</u>	<u>\$ 317</u>	<u>\$ 160,513</u>	<u>\$ 270,086</u>

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2015

	General Fund	Levy Excess Fund	Capital Projects	Totals
Cash and investments - beginning	\$ 109,256	\$ 317	\$ 160,513	\$ 270,086
Receipts:				
Taxes	55,703	-	38,138	93,841
Intergovernmental receipts	37,345	-	4,259	41,604
Other receipts	<u>837</u>	<u>-</u>	<u>-</u>	<u>837</u>
Total receipts	<u>93,885</u>	<u>-</u>	<u>42,397</u>	<u>136,282</u>
Disbursements:				
Personal services	2,570	-	-	2,570
Other services and charges	150	-	-	150
Capital outlay	-	-	2,040	2,040
Other disbursements	<u>68,000</u>	<u>317</u>	<u>-</u>	<u>68,317</u>
Total disbursements	<u>70,720</u>	<u>317</u>	<u>2,040</u>	<u>73,077</u>
Excess (deficiency) of receipts over disbursements	<u>23,165</u>	<u>(317)</u>	<u>40,357</u>	<u>63,205</u>
Cash and investments - ending	<u>\$ 132,421</u>	<u>\$ -</u>	<u>\$ 200,870</u>	<u>\$ 333,291</u>

NORTHEAST DUBOIS COUNTY FIRE PROTECTION DISTRICT  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2016

	General Fund	Rainy Day Fund	Levy Excess Fund	Capital Projects	Totals
Cash and investments - beginning	\$ 132,421	\$ -	\$ -	\$ 200,870	\$ 333,291
Receipts:					
Taxes	56,220	-	-	38,501	94,721
Intergovernmental receipts	39,489	-	-	4,426	43,915
Other receipts	994	12,403	167	-	13,564
Total receipts	96,703	12,403	167	42,927	152,200
Disbursements:					
Personal services	2,570	-	-	-	2,570
Other services and charges	150	-	-	-	150
Capital outlay	68,000	-	-	-	68,000
Other disbursements	99	-	-	68	167
Total disbursements	70,819	-	-	68	70,887
Excess of receipts over disbursements	25,884	12,403	167	42,859	81,313
Cash and investments - ending	<u>\$ 158,305</u>	<u>\$ 12,403</u>	<u>\$ 167</u>	<u>\$ 243,729</u>	<u>\$ 414,604</u>

#### OTHER REPORTS

In addition to this report, other reports may have been issued for the District. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.