

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

FINANCIAL STATEMENTS EXAMINATION REPORT
OF

IRELAND-MADISON TOWNSHIP
CONSERVANCY DISTRICT
DUBOIS COUNTY, INDIANA

January 1, 2011 to December 31, 2016



FILED
09/29/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Gene Mehringer Jeffrey G. Schitter Thomas A. Schum	01-01-11 to 08-15-11 08-16-11 to 06-17-13 06-18-13 to 12-31-17
President of the Board	Thomas A. Schum Jeffrey G. Schitter	01-01-11 to 06-17-13 06-18-13 to 12-31-17



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE IRELAND-MADISON TOWNSHIP
CONSERVANCY DISTRICT, DUBOIS COUNTY, INDIANA

We have examined the accompanying financial statements of the Ireland-Madison Township Conservancy District (District), for the period of January 1, 2011 to December 31, 2016. The District's management is responsible for the fair presentation of these financial statements in accordance with the prescribed basis of accounting described in Note 1. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the financial statements are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the financial statements. The nature, timing, and extent of the procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide 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 described in the preceding paragraph, the financial statements for the period of January 1, 2011 to December 31, 2016, 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.

INDEPENDENT ACCOUNTANT'S REPORT
(Continued)

In our opinion, the financial statements for the period of January 1, 2011 to December 31, 2016, referred to above, present the financial position and results of operations of the District based on the prescribed basis of accounting described in Note 1 to the financial statements, in all material respects.

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 and Schedule of Leases and Debt, 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, CPA
State Examiner

August 31, 2017

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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IRELAND-MADISON TOWNSHIP CONSERVANCY 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	<u>\$ 491,997</u>	<u>\$ 163,885</u>	<u>\$ 155,376</u>	<u>\$ 500,506</u>	<u>\$ 165,585</u>	<u>\$ 114,227</u>	<u>\$ 551,864</u>

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

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2013 and 2014

Fund	Cash and Investments 01-01-13	Receipts	Disbursements	Cash and Investments 12-31-13	Receipts	Disbursements	Cash and Investments 12-31-14
General	<u>\$ 551,864</u>	<u>\$ 163,482</u>	<u>\$ 160,830</u>	<u>\$ 554,516</u>	<u>\$ 166,866</u>	<u>\$ 144,152</u>	<u>\$ 577,230</u>

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

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Years Ended December 31, 2015 and 2016

Fund	Cash and Investments 01-01-15	Receipts	Disbursements	Cash and Investments 12-31-15	Receipts	Disbursements	Cash and Investments 12-31-16
General	<u>\$ 577,230</u>	<u>\$ 188,495</u>	<u>\$ 157,010</u>	<u>\$ 608,715</u>	<u>\$ 196,445</u>	<u>\$ 145,849</u>	<u>\$ 659,311</u>

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

IRELAND-MADISON TOWNSHIP CONSERVANCY 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:

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

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.

E. Disbursements

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

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Debt service - principal and interest. Amounts disbursed for 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.

Note 2. Budgets

The operating budget is initially prepared and approved at the local level.

Note 3. 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 4. 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.

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 5. Restatements

For the year ended December 31, 2011, certain changes have been made to some of the beginning balances of the financial statements to more appropriately reflect financial activity of the District. The following schedule presents a summary of restated beginning balances:

Fund	Balance as of December 31, 2010	Prior Period Adjustment	Balance as of January 1, 2011
General	\$ 494,287	\$ 2,290	\$ 491,997

OTHER INFORMATION - UNEXAMINED

The District's Annual Financial Reports 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 Reports 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.

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2011

	<u>General</u>
Cash and investments - beginning	\$ 491,997
Receipts:	
Charges for services	159,874
Other receipts	4,011
Total receipts	163,885
Disbursements:	
Personal services	3,470
Supplies	262
Other services and charges	123,404
Debt service - principal and interest	28,240
Total disbursements	155,376
Excess of receipts over disbursements	8,509
Cash and investments - ending	\$ 500,506

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2012

	General
Cash and investments - beginning	\$ <u>500,506</u>
Receipts:	
Charges for services	163,120
Other receipts	<u>2,465</u>
Total receipts	<u>165,585</u>
Disbursements:	
Personal services	3,095
Supplies	1,817
Other services and charges	102,902
Debt service - principal and interest	<u>6,413</u>
Total disbursements	<u>114,227</u>
Excess of receipts over disbursements	<u>51,358</u>
Cash and investments - ending	\$ <u><u>551,864</u></u>

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2013

	General
Cash and investments - beginning	\$ 551,864
Receipts:	
Charges for services	144,257
Other receipts	19,225
Total receipts	163,482
Disbursements:	
Personal services	2,915
Supplies	4,094
Other services and charges	101,737
Debt service - principal and interest	52,084
Total disbursements	160,830
Excess of receipts over disbursements	2,652
Cash and investments - ending	\$ 554,516

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2014

	General
Cash and investments - beginning	\$ <u>554,516</u>
Receipts:	
Charges for services	164,327
Other receipts	<u>2,539</u>
Total receipts	<u>166,866</u>
Disbursements:	
Personal services	3,175
Supplies	13,205
Other services and charges	99,616
Debt service - principal and interest	<u>28,156</u>
Total disbursements	<u>144,152</u>
Excess of receipts over disbursements	<u>22,714</u>
Cash and investments - ending	\$ <u><u>577,230</u></u>

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2015

	General
Cash and investments - beginning	\$ <u>577,230</u>
Receipts:	
Charges for services	185,769
Other receipts	<u>2,726</u>
Total receipts	<u>188,495</u>
Disbursements:	
Personal services	2,590
Supplies	2,851
Other services and charges	123,323
Debt service - principal and interest	<u>28,246</u>
Total disbursements	<u>157,010</u>
Exces of receipts over disbursements	<u>31,485</u>
Cash and investments - ending	<u>\$ <u>608,715</u></u>

IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended December 31, 2016

	General
Cash and investments - beginning	\$ 608,715
Receipts:	
Charges for services	192,790
Other receipts	3,655
Total receipts	196,445
Disbursements:	
Personal services	585
Supplies	4,495
Other services and charges	112,543
Debt service - principal and interest	28,226
Total disbursements	145,849
Excess of receipts over disbursements	50,596
Cash and investments - ending	\$ 659,311

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IRELAND-MADISON TOWNSHIP CONSERVANCY DISTRICT
 SCHEDULE OF LEASES AND DEBT
 December 31, 2016

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities: Notes and loans payable	Construction of Sewer	\$ 319,900	\$ 28,198
Totals		<u>\$ 319,900</u>	<u>\$ 28,198</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/>.