

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

ENGLISH FIRE DISTRICT

CRAWFORD COUNTY, INDIANA

January 1, 2011 to December 31, 2016



FILED
11/20/2017

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Donald T. Burnham, Jr. Dale R. Roll	01-01-11 to 03-08-16 03-09-16 to 12-31-17
President of the Board	Curtis E. Benham Michael E. Benham	01-01-11 to 06-10-14 06-11-14 to 12-31-17



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 ENGLISH FIRE DISTRICT, CRAWFORD COUNTY, INDIANA

We have examined the accompanying financial statements of the English Fire 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 judgment, 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, 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

October 05, 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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ENGLISH FIRE 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
Rainy Day Fund	\$ 7,549	\$ -	\$ -	\$ 7,549	\$ -	\$ -	\$ 7,549
Levy Excess Fund	394	-	394	-	-	-	-
Fire Equipment Debt	-	70,357	56,191	14,166	53,910	56,267	11,809
Cumulative Fire	53,691	21,613	18,260	57,044	22,037	-	79,081
Special Fire General	<u>188,918</u>	<u>451,586</u>	<u>463,203</u>	<u>177,301</u>	<u>170,106</u>	<u>119,360</u>	<u>228,047</u>
Totals	<u>\$ 250,552</u>	<u>\$ 543,556</u>	<u>\$ 538,048</u>	<u>\$ 256,060</u>	<u>\$ 246,053</u>	<u>\$ 175,627</u>	<u>\$ 326,486</u>

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

ENGLISH FIRE 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
Rainy Day Fund	\$ 7,549	\$ -	\$ -	\$ 7,549	\$ -	\$ -	\$ 7,549
Fire Equipment Debt	11,809	61,075	56,267	16,617	60,522	54,881	22,258
Cumulative Fire	79,081	23,145	18,500	83,726	39,096	33,909	88,913
Special Fire General	<u>228,047</u>	<u>171,136</u>	<u>127,568</u>	<u>271,615</u>	<u>160,919</u>	<u>134,500</u>	<u>298,034</u>
Totals	<u>\$ 326,486</u>	<u>\$ 255,356</u>	<u>\$ 202,335</u>	<u>\$ 379,507</u>	<u>\$ 260,537</u>	<u>\$ 223,290</u>	<u>\$ 416,754</u>

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

ENGLISH FIRE 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
Rainy Day Fund	\$ 7,549	\$ -	\$ -	\$ 7,549	\$ 4,746	\$ -	\$ 12,295
Fire Equipment Debt	22,258	61,715	53,495	30,478	24,814	52,815	2,477
Cumulative Fire	88,913	41,285	100,000	30,198	39,952	-	70,150
Special Fire General	<u>298,034</u>	<u>177,107</u>	<u>316,187</u>	<u>158,954</u>	<u>180,613</u>	<u>122,089</u>	<u>217,478</u>
Totals	<u>\$ 416,754</u>	<u>\$ 280,107</u>	<u>\$ 469,682</u>	<u>\$ 227,179</u>	<u>\$ 250,125</u>	<u>\$ 174,904</u>	<u>\$ 302,400</u>

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

ENGLISH FIRE 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.

ENGLISH FIRE 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.

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.

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.

ENGLISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 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 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.

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

	Rainy Day Fund	Levy Excess Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ 394	\$ -	\$ 53,691	\$ 188,918	\$ 250,552
Receipts:						
Taxes	-	-	63,933	19,640	115,293	198,866
Intergovernmental receipts	-	-	6,424	1,973	35,797	44,194
Other receipts	-	-	-	-	300,496	300,496
Total receipts	-	-	70,357	21,613	451,586	543,556
Disbursements:						
Personal services	-	-	-	-	1,000	1,000
Other services and charges	-	-	-	-	116,455	116,455
Debt service - principal and interest	-	-	56,191	-	-	56,191
Capital outlay	-	-	-	18,260	345,748	364,008
Other disbursements	-	394	-	-	-	394
Total disbursements	-	394	56,191	18,260	463,203	538,048
Excess (deficiency) of receipts over disbursements	-	(394)	14,166	3,353	(11,617)	5,508
Cash and investments - ending	\$ 7,549	\$ -	\$ 14,166	\$ 57,044	\$ 177,301	\$ 256,060

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

	Rainy Day Fund	Levy Excess Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ -	\$ 14,166	\$ 57,044	\$ 177,301	\$ 256,060
Receipts:						
Taxes	-	-	49,071	20,059	127,155	196,285
Intergovernmental receipts	-	-	4,839	1,978	42,938	49,755
Other receipts	-	-	-	-	13	13
Total receipts	-	-	53,910	22,037	170,106	246,053
Disbursements:						
Personal services	-	-	-	-	1,000	1,000
Other services and charges	-	-	-	-	118,360	118,360
Debt service - principal and interest	-	-	56,267	-	-	56,267
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	56,267	-	119,360	175,627
Excess (deficiency) of receipts over disbursements	-	-	(2,357)	22,037	50,746	70,426
Cash and investments - ending	<u>\$ 7,549</u>	<u>\$ -</u>	<u>\$ 11,809</u>	<u>\$ 79,081</u>	<u>\$ 228,047</u>	<u>\$ 326,486</u>

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

	Rainy Day Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ 11,809	\$ 79,081	\$ 228,047	\$ 326,486
Receipts:					
Taxes	-	55,814	21,151	129,841	206,806
Intergovernmental receipts	-	5,261	1,994	41,280	48,535
Other receipts	-	-	-	15	15
Total receipts	-	61,075	23,145	171,136	255,356
Disbursements:					
Personal services	-	-	-	1,000	1,000
Other services and charges	-	-	-	118,330	118,330
Debt service - principal and interest	-	56,267	-	-	56,267
Capital outlay	-	-	18,500	8,238	26,738
Other disbursements	-	-	-	-	-
Total disbursements	-	56,267	18,500	127,568	202,335
Excess (deficiency) of receipts over disbursements	-	4,808	4,645	43,568	53,021
Cash and investments - ending	\$ 7,549	\$ 16,617	\$ 83,726	\$ 271,615	\$ 379,507

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

	Rainy Day Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ 16,617	\$ 83,726	\$ 271,615	\$ 379,507
Receipts:					
Taxes	-	55,570	35,569	118,537	209,676
Intergovernmental receipts	-	4,952	3,527	42,173	50,652
Other receipts	-	-	-	209	209
Total receipts	-	60,522	39,096	160,919	260,537
Disbursements:					
Personal services	-	-	-	1,000	1,000
Other services and charges	-	-	-	118,500	118,500
Debt service - principal and interest	-	54,881	-	-	54,881
Capital outlay	-	-	33,909	15,000	48,909
Other disbursements	-	-	-	-	-
Total disbursements	-	54,881	33,909	134,500	223,290
Excess (deficiency) of receipts over disbursements	-	5,641	5,187	26,419	37,247
Cash and investments - ending	\$ 7,549	\$ 22,258	\$ 88,913	\$ 298,034	\$ 416,754

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

	Rainy Day Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ 22,258	\$ 88,913	\$ 298,034	\$ 416,754
Receipts:					
Taxes	-	57,161	37,822	132,715	227,698
Intergovernmental receipts	-	4,554	3,463	44,392	52,409
Other receipts	-	-	-	-	-
Total receipts	-	61,715	41,285	177,107	280,107
Disbursements:					
Personal services	-	-	-	1,000	1,000
Other services and charges	-	-	-	120,200	120,200
Debt service - principal and interest	-	53,495	-	-	53,495
Capital outlay	-	-	100,000	194,987	294,987
Other disbursements	-	-	-	-	-
Total disbursements	-	53,495	100,000	316,187	469,682
Excess (deficiency) of receipts over disbursements	-	8,220	(58,715)	(139,080)	(189,575)
Cash and investments - ending	\$ 7,549	\$ 30,478	\$ 30,198	\$ 158,954	\$ 227,179

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

	Rainy Day Fund	Fire Equipment Debt	Cumulative Fire	Special Fire General	Totals
Cash and investments - beginning	\$ 7,549	\$ 30,478	\$ 30,198	\$ 158,954	\$ 227,179
Receipts:					
Taxes	-	22,911	36,343	133,012	192,266
Intergovernmental receipts	4,746	1,903	3,609	47,565	57,823
Other receipts	-	-	-	36	36
Total receipts	<u>4,746</u>	<u>24,814</u>	<u>39,952</u>	<u>180,613</u>	<u>250,125</u>
Disbursements:					
Personal services	-	-	-	1,000	1,000
Other services and charges	-	-	-	121,089	121,089
Debt service - principal and interest	-	52,815	-	-	52,815
Other disbursements	-	-	-	-	-
Total disbursements	<u>-</u>	<u>52,815</u>	<u>-</u>	<u>122,089</u>	<u>174,904</u>
Excess (deficiency) of receipts over disbursements	<u>4,746</u>	<u>(28,001)</u>	<u>39,952</u>	<u>58,524</u>	<u>75,221</u>
Cash and investments - ending	<u>\$ 12,295</u>	<u>\$ 2,477</u>	<u>\$ 70,150</u>	<u>\$ 217,478</u>	<u>\$ 302,400</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/>.