

B38110

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

EXAMINATION REPORT
OF
NEW PARIS CONSERVANCY DISTRICT
ELKHART COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
12/28/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Financial Clerk/Secretary	Diane K. Smith	01-01-08 to 12-31-10
Chairman of the Board	Gary Brumbaugh	01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NEW PARIS CONSERVANCY DISTRICT, ELKHART COUNTY, INDIANA

We have examined the financial information presented herein of the New Paris Conservancy District (District), for the period of January 1, 2008 to December 31, 2009. The District'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 District for the years ended December 31, 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 and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

October 13, 2010

NEW PARIS CONSERVANCY DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 395,060	\$ 170,558	\$ 577,376	\$ (11,758)
Cumulative Capital Improvement	71,278	18,383	-	89,661
Construction	4,508	-	-	4,508
Proprietary Funds:				
Wastewater Operating	141,675	378,293	236,012	283,956
Wastewater Bond and Interest	248,057	116,400	392,726	(28,269)
Wastewater Reserve	177,205	96,000	-	273,205
Wastewater Replacement	155,314	28,800	-	184,114
Totals	<u>\$ 1,193,097</u>	<u>\$ 808,434</u>	<u>\$ 1,206,114</u>	<u>\$ 795,417</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ (11,758)	\$ 424,542	\$ 220,844	\$ 191,940
Cumulative Capital Improvement	89,661	45,272	-	134,933
Construction	4,508	-	-	4,508
Proprietary Funds:				
Wastewater Operating	283,956	367,936	537,022	114,870
Wastewater Bond and Interest	(28,269)	641,319	613,050	-
Wastewater Reserve	273,205	16,000	-	289,205
Wastewater Replacement	184,114	32,400	-	216,514
Totals	<u>\$ 795,417</u>	<u>\$ 1,527,469</u>	<u>\$ 1,370,916</u>	<u>\$ 951,970</u>

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

NEW PARIS CONSERVANCY DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: wastewater collection and treatment services and general administrative services.

Note 2. Fund Accounting

The District 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. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. 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% 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 become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the District on or prior to December 31 of the year collected.

Note 5. 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.

NEW PARIS CONSERVANCY DISTRICT
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Additional Funding

In addition to the property taxes received by the District, the District is financed in part by user fees that are based on single family dwelling units.

Note 7. Pension Plan

Public Employees' Retirement Fund

Plan Description

The District contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the District authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

NEW PARIS CONSERVANCY DISTRICT
 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. As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

	<u>Ending Balance</u>
Capital assets, not being depreciated:	
Land	\$ 64,761
Infrastructure and buildings	2,850,095
Improvements other than buildings	2,924,055
Machinery and equipment	<u>720,709</u>
Total capital assets not being depreciated	<u>\$ 6,559,620</u>

NEW PARIS CONSERVANCY DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

Description of Asset	Ending Balance	Principal and Interest Due Within One Year
Wastewater Utility:		
State Revolving Fund loan:		
Loan of 1994	\$ 940,000	\$ 198,800
Loan of 1997	<u>640,000</u>	<u>112,800</u>
Totals	<u>\$ 1,580,000</u>	<u>\$ 311,600</u>

NEW PARIS CONSERVANCY DISTRICT
EXAMINATION RESULTS AND COMMENTS

PERSONAL EXPENSES

The following purchases were made by the Financial Clerk/Secretary using the District's credit card. No documentation was provided supporting the validity and accountability for monies disbursed.

05-18-08 Coach Leatherware, Michigan City, IN	\$ 230.48
07-13-08 Coach Leatherware, Michigan City, IN	77.02
10-10-08 FranklinCovey Products	<u>23.22</u>
Total	<u>\$ 330.72</u>

The Financial Clerk/Secretary indicated that the May 18, 2008 Coach Leatherware purchased had been returned on February 2, 2009. Credit card statements for February and March 2009 did not include a credit for the returned items. Bank Statements of the District do not include any deposits which would indicate funds being returned to the unit for the return of the merchandise at any time during February and March.

A similar comment appeared in prior Report B33773.

Diane K. Smith, Financial Clerk/Secretary, was asked to reimburse the District \$330.72 for personal expenses. (See Summary, page 23)

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

PENALTIES, INTEREST, AND OTHER FINANCE CHARGES

Penalties and interest totaling \$675.34 were paid to the Internal Revenue Service during the examination period as penalty for monthly federal tax deposits not being made in sufficient for December 31, 2007, and September 30, 2008, tax periods.

Finance charges totaling \$37.78 were paid on the Districts credit card held with Interra Credit Union.

Previous examination Report B33773, indicated penalties and interest totaling \$969.02 were paid to the Internal Revenue Service and the Indiana Department of Revenue.

We have requested Diane K. Smith, Financial Clerk/Secretary, to reimburse the New Paris Conservancy District \$713.12 for penalties and interest and other finance charges assessed by federal agencies and other entities. (See Summary, page 23)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

NEW PARIS CONSERVANCY DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

CONDITION OF RECORDS

The receipts, disbursements and balances as reported on the 2008 Special District Annual Report do not reflect the actual transactions posted to the 2008 records.

The December 2008 property tax distribution of \$188,941 from Elkhart County was posted to the Wastewater Operating Fund and it should have been posted to the General Tax Fund and the Cumulative Capital Improvement Fund. In the 2008 Special District Annual Report, the county distribution was properly reported in the proper funds.

On December 22, 2008, a principal and interest payment of \$296,300 to the Bank of New York was posted as an addition to the Cash - Bond and Interest Account. This resulted in the account being overstated by the same amount.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the independent Auditor's Report on the financial statements may have an adverse financial consequence with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

The January 1, 2009, beginning balances on the Detail Trial Balance Report for the following accounts did not agree to the Ending Balances on the Detail Trial Balance Report for December 31, 2008. The differences were as follows:

Account No./Name	December 31, 2008	January 1, 2009	Difference
1290.600 941 Cash Checking	\$ 218	-	\$ 218
1300.600 Cash General Tax	18,434	(11,809)	32,242
1310.600 Cash Operating	(104,147)	277,071	(381,218)
1320.600 Cash Bond and Interest	650,800	(28,268)	679,068
1330.600 Cash Debt Service Reserve	466,345	273,205	193,140
1340.600 Cash Replacement	14,400	184,114	(169,714)
1350.600 Cash Construction	-	4,508	(4,508)
1370.600 Cash Cumulative Improvement	33,002	89,661	(56,659)
1380.600 Cash Savings	740	558	182
1390.600 Cash Money Market	6,328	6,328	-

Posting Ledgers - The cash balance in each fund at the close of the prior year will be brought forward on January 1 and entered in the "Balance" column. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 21)

NEW PARIS CONSERVANCY DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

CREDIT CARD SUPPORTING DOCUMENTATION

The following credit card purchases did not contain adequate supporting documentation, such as receipts, invoices, and other public records.

05-31-08	Target, Goshen, IN	\$ 52.45
06-16-08	Wal-mart, Goshen, IN	78.99
06-29-08	Barnes & Noble, Mishawaka, IN	67.14
06-29-08	Barnes & Noble, Mishawaka, IN	26.95
07-03-08	Barnes & Noble, Mishawaka, IN	26.95
04-05-09	Barnes & Noble, Portage, MI	61.99
06-17-09	Staples Direct	53.58
07-24-09	Target, Goshen, IN	159.43
08-03-09	Michiana Giftworld, Centerville, MI	45.58
09-18-09	Best Buy, Mishawaka, IN	56.69

Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

SUPPORTING DOCUMENTATION

All of the 2008 and 2009 wireless phone bills did not contain adequate supporting documentation. Only summary data was included with the invoices.

All claims, invoices, receipts, accounts payable vouchers, including those presented to the governing body for approval in accordance with IC 5-11-10, should contain adequate detailed documentation. All claims, invoices, receipts, and accounts payable vouchers regarding reimbursement for meals and expenses for individuals must have specific detailed information of the names of all individuals for whom amounts are claimed, including the nature, name and purpose of the business meeting, to enable the governing body to authorize payment. Payments which do not have proper itemization showing the business nature of the claim may be the personal obligation of the responsible official, employee or other person for whom the claim is made. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

EXCESSIVE OR UNREASONABLE COSTS

Between June 2008 and October 2009, the Financial Clerk/Secretary spent \$866.53 on candles, scented oils and other air freshener products.

Every effort should be made by the governmental unit to avoid unreasonable or excessive costs. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

NEW PARIS CONSERVANCY DISTRICT
EXAMINATION RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND

The District has purchased official bonds for Diane K. Smith, Financial Clerk/Secretary. The bonds were purchased from the Western Surety Bond Company for a coverage period of September 25, 2007 to September 25, 2010. The amount of the coverage is \$50,000.

NEW PARIS CONSERVANCY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on October 13, 2010, with Diane K. Smith, Financial Clerk/Secretary; and Gary Brumbaugh, Chairman of the Board. The official response has been made a part of this report and may be found on pages 14 through 22.

October 21, 2010

State Board of Accounts
302 West Washington Street, Room E 418
Indianapolis, IN 46204-2765

Re: Official Response to New Paris Conservancy District's 2009
Examination Results and Comments

Dear Madam or Sir:

The following is the New Paris Conservancy District's official response to the State Board of Accounts' Examination Results and Comments to its 2009 audit.

PERSONAL EXPENSES

The District is implementing procedures that require credit card receipts to be attached to the credit card monthly invoice and to document reason and purpose for purchase of items where it is not clear as to what the business purpose is. The purchases in question were for calendar organizers used for District business. The District is also implementing steps that do not allow original source documents to leave the District's office.

With specific reference to the three expenses identified in the examiner comments, the \$230.48 expense on May 18, 2008 was returned and the district received appropriate credit. The two remaining expenditures were for district related items used by the Financial Clerk/Secretary in performing her duties on behalf of the New Paris Conservancy District. More detail regarding this matter is contained in the letter authored by Financial Clerk/Secretary Diane K. Smith which has been attached hereto and made a part of this response.

The amount that Diane K. Smith, Financial Clerk/Secretary is asked to reimburse the District is \$330.72, not \$847.96 as indicated by the State Board of Accounts.

PENALTIES, INTEREST AND OTHER FINANCE CHARGES

The District is implementing procedures and establishing a calendar to schedule when specific payroll taxes and other invoices are due. The District believes that the new procedures will result in the elimination of late payment of payroll taxes and other credit card invoices and should also eliminate any penalties and interest being assessed. The District has been on time in making its payroll tax and credit card payments in 2010.

The unintentional and inadvertent non-payments were directly attributable to the District converting to a computer system which allowed "direct deposit" of IRS monies. Ms. Smith received confirmation that the direct withdrawal system had been triggered and that the monies had been forwarded to the IRS. In fact, that had not occurred. Again, the penalties were incurred due to no fault of the Financial Clerk and should not become the personal responsibility of Ms. Smith.

CONDITION OF RECORDS

The State Board of Accounts indicated the receipts, disbursement and balances as reported records. In addition, it was reported that the January 1, 2009 beginning balances on the Detailed Trial Balance Report for various cash accounts did not agree to the Ending Balances on the Detailed Trial Balance Report for December 31, 2008.

The District's financial and accounting consultant made certain adjusting journal entries to correct mispostings that occurred during 2008. Those adjusting journal entries were posted to a trial balance (print dated February 25, 2009). We believe the State Board of Accounts used a preliminary trial balance that did not include the final adjusting journal entries. Attached is the Detailed Trial Balance for December 31, 2008 with the adjusting journal entries posted. Also attached is the Detailed Trial Balance for January 1, 2009 through January 31, 2009. The beginning balances for the various cash accounts at January 1, 2009 agree to the Detailed Trial Balance for December 31, 2008 (print dated February 25, 2009). The District believes that the receipts, disbursements and balances for 2008 as reported are correct and supported in the District's records.

CREDIT CARD SUPPORTING DOCUMENTATION

The audit report indicated that certain credit card purchases did not contain adequate supporting documentation, such as receipts, invoices and other public records.

As indicated in the first comment, the District is implementing procedures that require receipts and other invoices be attached to the credit card invoice before they are paid. The District believes that receipts for many of the items in question were received and attached to the invoices, but cannot explain why they are missing at the present time. The District is also implementing procedures that require the original sources documents remain in the District's offices at all times.

SUPPORTING DOCUMENTATION

The audit report indicated that all of the 2008 and 2009 wireless phone bills did not contain adequate supporting documentation. The District will inquire with the wireless provider about the ability to have detailed paper statements provided with each invoice submitted. We believe the wireless provider will charge the District a fee associated for generating the detail for these services. The District has represented to the auditor that the cellular phones are provided to the

District employees who are required to have the phones for 24 hours a day and seven days a week to be on-call for District business.

EXCESSIVE OR UNREASONABLE COSTS

The auditor has indicated in its report that the Financial Clerk/Secretary spent \$866.53 on candles, scented oils and other air freshener products. The audit report indicates that the District should avoid unreasonable or excessive costs.

The District does not believe that these costs are excessive or unreasonable. The District offices are located in the same building as the District's treatment plant including its headworks. The candles, scented oils and air freshener products are needed to eliminate the unpleasant smell of the wastewater entering the plant and being treated. The District also conducts its board meetings and customers stop by the office at the treatment plant to pay their bills and conduct other business. The Board of Directors has considered other options to eliminate the odors in the office, but the capital costs associated with those options are projected to be very costly and therefore the Board has approved the Financial Clerk/Secretary for the time being to purchase the candles, scented oils and other air freshener products. The Board of Directors will establish a separate budget line item in 2011 to establish an amount for these items.

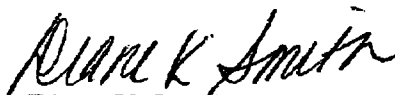
As previously indicated, the District has attached to this response correspondence authored by Financial Clerk/Secretary Diane Smith which should be included as part of the District's response.

If you should have any questions with these responses, please let us know.

Respectfully submitted,



Gary Brumbaugh
Board Chairman



Diane K. Smith
Financial Clerk/Secretary

Enclosures

cc: Mr. David Hollenbeck, District Attorney
Mr. Karl Cender, District Financial Consultant

Detailed Trial Balance

Entries From 12/1/2008 Through 12/31/2008

Account	Description Transactions-Date		Debit	Credit	Ending Balance
1290.600	941 Cash Checking Account	Prev Bal	218.11		
12/31/2008	(JE) Closed out First So			-218.11	
1290.600	ACCOUNT TOTAL		0.00	-218.11	0.00
1300.600	Cash - General Tax Fund	Prev Bal	19,364.97		
12/3/2008	(AP) 7488 Gary Brumbaugh			-200.00	
12/3/2008	(AP) 7489 Nelson Burkhold			-150.00	
12/3/2008	(AP) 7490 Robin R. Loucks			-150.00	
12/3/2008	(AP) 7491 Tony Neff			-150.00	
12/3/2008	(AP) 7492 William Tarmah			-150.00	
12/8/2008	(AP) 7516 Diane Fissgus			-131.04	
12/31/2008	(JE) Cender To correct in			-12,900.00	
12/31/2008	(JE) Cender To record Tax		170,557.50		
12/31/2008	(JE) Cender To correct de			-187,900.00	
1300.600	ACCOUNT TOTAL		170,557.50	-201,731.04	\$ -11,808.57
1310.600	Cash - Operating Fund	Prev Bal	40,890.89		
12/12/2008	(IC) Inspec Fee New Paris		25.00		
12/12/2008	(IC) Phone Reim Nelson Bu		10.00		
12/5/2008	(EX) Tax Paymen IRS			-2,762.74	
12/26/2008	(EX) Tax Paymen IRS			-410.92	
12/30/2008	(IC) Tax Check Elkhart Co		188,940.54		
12/3/2008	(AP) 7493 Brenntag Great			-8,184.77	
12/3/2008	(AP) 7494 Centennial Wire			-47.49	
12/3/2008	(AP) 7495 Elkhart County			-229.87	
12/3/2008	(AP) 7496 Goshen Electric			-90.39	
12/3/2008	(AP) 7497 Indiana Dept. R			-484.89	
12/3/2008	(AP) 7498 Menards - Goshe			-27.09	
12/3/2008	(AP) 7499 NPCD Transfer			-9,700.00	
12/3/2008	(AP) 7500 NPCD Transfer			-2,400.00	
12/3/2008	(AP) 7501 NPCD Transfer			-8,000.00	
12/3/2008	(AP) 7502 Logical Concept			-108.60	
12/3/2008	(AP) 7503 U.S. Postmaster			-189.00	
12/3/2008	(AP) 7504 Utility Supply			-391.69	
12/5/2008	(AP) 7505 Centennial Wire			-145.96	
12/5/2008	(AP) 7506 Centennial Wire			-114.79	
12/5/2008	(AP) 7507 Centennial Wire			-142.45	
12/5/2008	(AP) 7508 Staples Credit			-162.98	
12/5/2008	(AP) 7509 PERF of Indiana			-2,436.50	
12/5/2008	(AP) 4292 Sams Club			-269.87	
12/5/2008	(AP) 4293 Sams Club			-430.53	
12/5/2008	(AP) 4294 U.S. Postmaster			-190.87	
12/5/2008	(AP) 4295 Centennial Wire			-450.96	
12/5/2008	(AP) 4366 Sams Club			-388.08	
12/5/2008	(AP) 4367 Sams Club			-183.85	
12/5/2008	(AP) 4369 Centennial Wire			-383.77	
12/5/2008	(AP) 4370 Sams Club			-235.31	
12/8/2008	(AP) 7515 Indiana Departm			-91.21	
12/17/2008	(AP) 7520 Himco Waste-Awa			-38.05	
12/17/2008	(AP) 7521 Jared Knisley			-89.16	
12/17/2008	(AP) 7522 New Paris Telep			-274.50	
12/17/2008	(AP) 7523 New Paris Indus			-10.44	
12/17/2008	(AP) 7533 New Paris Indus			-19.22	
12/17/2008	(AP) 7534 Verizon Wireles			-86.06	

Account	Description Transactions-Date	Debit	Credit	Ending Balance
1310.600	Cash - Operating Fund(Cont'd)			
12/22/2008	(AP) 7538 RODNEY WALDRON		-90.00	
12/22/2008	(AP) 7539 The Bank of New		-108,400.00	
12/22/2008	(AP) 7540 The Bank of New		-187,900.00	
12/22/2008	(AP) 7541 MapleTronics		-75.00	
12/22/2008	(AP) 7542 North Central L		-392.92	
12/27/2008	(AP) 7543 Anthem Blue Cro		-45.00	
12/27/2008	(AP) 7544 Anthem Blue Cro		-7,122.86	
12/27/2008	(AP) 7545 Centennial Wire		-253.24	
12/27/2008	(AP) 7546 Elkhart County		-308.36	
12/27/2008	(AP) 7547 Mikes Fencing		-75.00	
12/27/2008	(AP) 7548 Northern Indian		-37.32	
12/27/2008	(AP) 7549 Northern Indian		-8.17	
12/27/2008	(AP) 7550 Northern Indian		-11.22	
12/27/2008	(AP) 7551 Northern Indian		-76.74	
12/27/2008	(AP) 7552 Northern Indian		-9.36	
12/27/2008	(AP) 7553 Northern Indian		-143.99	
12/27/2008	(AP) 7554 Northern Indian		-25.09	
12/27/2008	(AP) 7555 Northern Indian		-279.39	
12/27/2008	(AP) 7556 Northern Indian		-2,367.07	
12/27/2008	(AP) 7557 Northern Indian		-110.60	
12/27/2008	(AP) 7558 Northern Indian		-24.32	
12/27/2008	(AP) 7559 Northern Indian		-6.75	
12/1/2008	(UB) Billing Summary Tra	8,415.14		
12/11/2008	(UB) Billing Summary Tra	2,615.80		
12/10/2008	(UB) Billing Summary Tra	32.55		
12/10/2008	(UB) Billing Summary Tra	2,021.57		
12/3/2008	(UB) Billing Summary Tra	3,207.78		
12/15/2008	(UB) Billing Summary Tra	3,119.14		
12/8/2008	(UB) Billing Summary Tra	2,122.81		
12/1/2008	(UB) Billing Summary Tra	84.42		
12/5/2008	(UB) Billing Summary Tra	1,419.00		
12/15/2008	(UB) Billing Summary Tra	22.82		
12/22/2008	(UB) Billing Summary Tra	6.52		
12/22/2008	(UB) Billing Summary Tra	65.20		
12/12/2008	(UB) Billing Summary Tra	1,269.80		
12/3/2008	(UB) Billing Summary Tra	20.45		
12/10/2008	(UB) Billing Summary Tra	154.36		
12/3/2008	(UB) Billing Summary Tra	4.26		
12/5/2008	(UB) Billing Summary Tra	9.13		
12/5/2008	(UB) Billing Summary Tra	9.59		
12/8/2008	(UB) Billing Summary Tra	111.08		
12/8/2008	(UB) Billing Summary Tra	36.89		
12/1/2008	(UB) Billing Summary Tra	33.29		
12/15/2008	(UB) Billing Summary Tra	7.94		
12/11/2008	(UB) Billing Summary Tra	9.78		
12/11/2008	(UB) Billing Summary Tra	0.42		
12/17/2008	(UB) Billing Summary Tra	227.55		
12/17/2008	(UB) Billing Summary Tra	3.91		
12/19/2008	(UB) Billing Summary Tra	101.06		
12/19/2008	(UB) Billing Summary Tra	6.52		
12/12/2008	(UB) Billing Summary Tra	9.70		
12/3/2008	(UB) Billing Summary Tra	0.40		
12/1/2008	(PR) 12/1/2008 Payroll		-1,451.55	

New Paris Conservancy District
 Detailed Trial Balance
 Entries From 12/1/2008 Through 12/31/2008

Account	Description Transactions-Date	Debit	Credit	Ending Balance
1310.600	Cash - Operating Fund(Cont'd)			
12/8/2008	(PR) 12/8/2008 Payroll		-2,175.08	
12/15/2008	(PR) 12/15/2008 Payroll		-1,451.55	
12/22/2008	(PR) 12/22/2008 Payroll		-1,451.55	
12/29/2008	(PR) 12/29/2008 Payroll		-1,451.55	
12/31/2008	(IC) Interra Interest De	182.62		
12/31/2008	(JE) Closed out First So	218.11		
12/31/2008	(JE) Cender To correct in	21,300.00		
12/31/2008	(JE) Cender Bal w/SBOA Co		-4,508.15	
12/31/2008	(JE) Cender To record Tax		-188,940.54	
12/31/2008	(JE) Cender To correct de	296,300.00		
12/31/2008	(JE) Cender Fissgus Reimb	1,301.40		
12/31/2008	(JE) Cender 6 SBOA Bal De	251,118.00		
12/31/2008	(JE) Cender 8 Yr End Misc		-0.27	
1310.600	ACCOUNT TOTAL	784,544.55	-548,364.65	277,070.79
1320.600	Cash - Bond and Interest	Prev Bal	344,800.00	
12/3/2008	(AP) NPCD NPCD Transfer	9,700.00		
12/22/2008	(AP) BANK The Bank of New	108,400.00		
12/22/2008	(AP) BANK The Bank of New	187,900.00		
12/31/2008	(JE) Cender To correct in		-8,400.00	
12/31/2008	(JE) Cender To correct de		-108,400.00	
12/31/2008	(JE) Cender 6 SBOA Bal De		-296,300.00	
12/31/2008	(JE) Cender #9 2008 yr en		-265,000.00	
12/31/2008	(JE) Cender #9 2008 yr en		-968.00	
1320.600	ACCOUNT TOTAL	306,000.00	-679,068.00	-28,268.00
1330.600	Cash - Debt Service Reser	Prev Bal	458,345.00	
12/3/2008	(AP) NPCD NPCD Transfer	8,000.00		
12/31/2008	(JE) Cender 6 SBOA Bal De		-193,140.00	
1330.600	ACCOUNT TOTAL	8,000.00	-193,140.00	273,205.00
1340.600	Cash - Replacement Fund	Prev Bal	12,000.00	
12/3/2008	(AP) NPCD NPCD Transfer	2,400.00		
12/31/2008	(JE) Cender 6 SBOA Bal De	169,714.00		
1340.600	ACCOUNT TOTAL	172,114.00	0.00	184,114.00
1350.600	Cash - Construction Fund	Prev Bal	0.00	
12/31/2008	(JE) Cender Bal w/SBOA Co	4,508.15		
1350.600	ACCOUNT TOTAL	4,508.15	0.00	4,508.15
1370.600	Cash- Cumulative Improvem	Prev Bal	33,002.00	
12/31/2008	(JE) Cender To record Tax	18,383.04		
12/31/2008	(JE) Cender 6 SBOA Bal De	38,276.00		
1370.600	ACCOUNT TOTAL	56,659.04	0.00	89,661.04
1380.600	Cash - Savings Fund	Prev Bal	287.79	
12/31/2008	(IC) Interra Savings Dec	270.08		
1380.600	ACCOUNT TOTAL	270.08	0.00	557.87

Detailed Trial Balance
Entries From 12/1/2008 Through 12/31/2008

Account	Description Transactions-Date		Debit	Credit	Ending Balance
1390.600	Investments - Money Marke	Prev Bal	5,442.59		
12/31/2008	(IC) Interra MM Interest		885.11		
1390.600	ACCOUNT TOTAL		885.11	0.00	6,327.70
1403.600	Depreciation	Prev Bal	76,213.00		
12/31/2008	(JE) Cender To record amo		63,825.00		
1403.600	ACCOUNT TOTAL		63,825.00	0.00	140,038.00
1407.600	Amortization Expense	Prev Bal	2,762.00		
12/31/2008	(JE) Cender To record amo		2,302.00		
1407.600	ACCOUNT TOTAL		2,302.00	0.00	5,064.00
1410.600	Customer Accounts Receiva	Prev Bal	67,687.90		
12/15/2008	(AP) KNI Jared Kaisley		89.16		
12/8/2008	(UB) Billing Summary Tra		32.60		
12/8/2008	(UB) Billing Summary Tra		3.26		
12/8/2008	(UB) Billing Summary Tra		32.60		
12/15/2008	(UB) Billing Summary Tra		89.16		
12/15/2008	(UB) Billing Summary Tra		513.97		
12/1/2008	(UB) Billing Summary Tra			-8,415.14	
12/11/2008	(UB) Billing Summary Tra			-2,615.80	
12/10/2008	(UB) Billing Summary Tra			-32.55	
12/10/2008	(UB) Billing Summary Tra			-2,021.57	
12/3/2008	(UB) Billing Summary Tra			-3,207.78	
12/15/2008	(UB) Billing Summary Tra			-3,119.14	
12/8/2008	(UB) Billing Summary Tra			-2,122.81	
12/1/2008	(UB) Billing Summary Tra			-84.42	
12/5/2008	(UB) Billing Summary Tra			-1,419.00	
12/15/2008	(UB) Billing Summary Tra			-22.82	
12/22/2008	(UB) Billing Summary Tra			-6.52	
12/22/2008	(UB) Billing Summary Tra			-65.20	
12/12/2008	(UB) Billing Summary Tra			-1,269.80	
12/3/2008	(UB) Billing Summary Tra			-20.45	
12/10/2008	(UB) Billing Summary Tra			-154.36	
12/3/2008	(UB) Billing Summary Tra			-4.26	
12/5/2008	(UB) Billing Summary Tra			-9.13	
12/5/2008	(UB) Billing Summary Tra			-9.59	
12/8/2008	(UB) Billing Summary Tra			-111.08	
12/8/2008	(UB) Billing Summary Tra			-36.89	
12/1/2008	(UB) Billing Summary Tra			-33.29	
12/15/2008	(UB) Billing Summary Tra			-7.94	
12/11/2008	(UB) Billing Summary Tra			-9.78	
12/11/2008	(UB) Billing Summary Tra			-0.42	
12/17/2008	(UB) Billing Summary Tra			-227.55	
12/17/2008	(UB) Billing Summary Tra			-3.91	
12/19/2008	(UB) Billing Summary Tra			-101.06	
12/19/2008	(UB) Billing Summary Tra			-6.52	
12/12/2008	(UB) Billing Summary Tra			-9.70	
12/3/2008	(UB) Billing Summary Tra			-0.40	
1410.600	ACCOUNT TOTAL		760.75	-25,148.88	43,299.77

Chairman:
Gary Brumbaugh
Vice Chairman:
Robin Loucks
Pres. Board Finance:
Tony Neff
Board Member Appointed:
Tim Lehman
Board Member Appointed:
Herschell Suitors

New Paris Conservancy District
18121 County Road 29/ P.O. Box 92
New Paris, IN. 46553
Ph: 574/831-6100 Fax: 574/831-6101
e-mail: www.npcd@bnin.net
Office Hours: M,W,F; 8:30 to 4
Closed all Legal Holidays



Financial Clerk/Secretary
Diane Smith
Plant Operations Mgr.
Matthew Rippey

August 30, 2010

Alex Flores – Auditor
Indiana State Board of Accounts

In regards to the Interra Visa card 4767062200004658 for the following purchases; I have contacted the Vendors below; and due to their security reasons, they could not furnish me with a copy of the actual Receipt; they were however able to tell me what was purchased.

5/15/2008 Coach: \$230.48 was for a large file case that was returned on 2/19/2009.

5/15/2008 Coach: \$95.66 was for a timekeeper and a keychain

6/26/2008 Barnes & Noble: \$67.14 calendars for the District

6/28/2008 Barnes & Noble: \$26.95 Windows Vista Manual

7/2/2008 Barnes & Noble: \$26.95 Office 2007 Manual

4/2/2008 Barnes & Noble: \$61.99 PC Repair Manual

2/19/2009 Coach: \$179.76; items purchased was for a daytimer and a refill.

7/23/2009 Michiana Gift World: \$45.58 Wooden M&M dispenser

6/15/2009 Staples Direct: \$53.58 was for copies at the kiosk and staples. As a normal course of business The kiosk would accept my staples card; on this particular time it wouldn't so therefore had to use this card To make copies for the District. We do not have a working copier at the District and the Board has decided not To purchase or repair the one we have at this time.

I went to Target and to Walmart and have contacted their Corporate offices for them to research the following Receipts only to be told to go back to the credit card company which is Interra Credit Union and I will go there Tomorrow.

5/29/2008 Target: \$52.45

6/14/2008 Walmart \$78.99

7/23/2009 Target for \$159.43

The following Centennial accounts are to the following (they were unable to give me a print out since they Merged with AT & T);

40622851-004 – Wireless Card

40722259 – 004 Plant Part Time Cell

40550828-004 Financial Clerk/Secretary Phone

40874404-004 – Operations Manager Phone

*Alex Flores – Auditor
Indiana State Board of Accounts
August 30, 2010
Page 2*

When we were audited for 2006 and 2007 by Connie Fields; she looked at all receipts and records through October of 2008. The receipts that you are asking for copies of were attached to the receipt. She questioned Me about the purchases made. She had taken records out of our office and I did not double check the 2008 Records to make sure that everything was received back as given; with the receipts attached. I made several

Complaints about her forgetfulness and her disorganization to Doug Weise. I am not accusing her of any Inappropriate actions, on the other hand, when the Chairman of the Board signed the Register of Claims, the Receipts were attached.

*Signed: Diane Smith
Financial Clerk/Secretary*

*Signed: Gary Brumbaugh
Chairman of the Board*

NEW PARIS CONSERVANCY DISTRICT
ELKHART COUNTY
SUMMARY

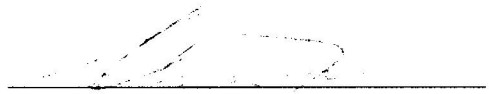
	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Diane K. Smith, Financial Clerk/Secretary:			
Personal Expenses, page 9	\$ 330.72	\$ -	\$ 330.72
Penalties, Interest, and Other Finance			
Charges, pages 9 and 10	<u>713.12</u>	<u>-</u>	<u>713.12</u>
Totals	<u>\$ 1,043.84</u>	<u>\$ -</u>	<u>\$ 1,043.84</u>

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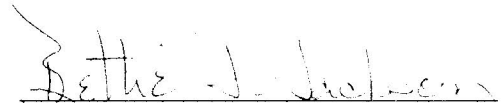
STATE OF INDIANA)
)
ST JOSEPH COUNTY)

I, Alejandro Flores, Field Examiner, being duly sworn on my oath, state that the foregoing report based on the official records of the New Paris Conservancy District, Elkhart County, Indiana, for the period from January 1, 2008 to December 31, 2009, is true and correct to the best of my knowledge and belief.



Field Examiner

Subscribed and sworn to before me this 30th day of November, 2010.



Notary Public

My Commission Expires: 2-14-2015

County of Residence: St. Joseph