

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT

OF

JAY COUNTY SOIL AND WATER CONSERVATION DISTRICT

JAY COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED
11/01/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Administrator	Bettie Jacobs	01-01-04 to 12-31-06
Treasurer	Steve Rines	01-01-04 to 12-31-06
Chairman of the Board	Carl Walker	01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE JAY COUNTY SOIL AND WATER
CONSERVATION DISTRICT, JAY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Jay County Soil and Water Conservation District (District), for the period of January 1, 2004 to December 31, 2005. The District's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the District for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 26, 2006

JAY COUNTY SOIL AND WATER CONSERVATION DISTRICT
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
 ALL GOVERNMENTAL FUND TYPES
 As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments <u>01-01-04</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-04</u>										
General	<u>\$ 44,672</u>	<u>\$ 11,476</u>	<u>\$ 21,078</u>	<u>\$ 35,070</u>										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;">Cash and Investments <u>01-01-05</u></th> <th style="width: 15%; text-align: center;"><u>Receipts</u></th> <th style="width: 15%; text-align: center;"><u>Disbursements</u></th> <th style="width: 15%; text-align: center;">Cash and Investments <u>12-31-05</u></th> </tr> </thead> <tbody> <tr> <td>General</td> <td style="text-align: right;"><u>\$ 35,070</u></td> <td style="text-align: right;"><u>\$ 13,357</u></td> <td style="text-align: right;"><u>\$ 21,836</u></td> <td style="text-align: right;"><u>\$ 26,591</u></td> </tr> </tbody> </table>						Cash and Investments <u>01-01-05</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-05</u>	General	<u>\$ 35,070</u>	<u>\$ 13,357</u>	<u>\$ 21,836</u>	<u>\$ 26,591</u>
	Cash and Investments <u>01-01-05</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-05</u>										
General	<u>\$ 35,070</u>	<u>\$ 13,357</u>	<u>\$ 21,836</u>	<u>\$ 26,591</u>										

The accompanying notes are an integral part of the schedules.

JAY COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District encourages conservation efforts in Jay County.

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. 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.

JAY COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULTS AND COMMENTS

PENALTIES, INTEREST AND OTHER CHARGES

Penalty and interest, totaling \$13.77, was paid to the Indiana Department of Revenue on August 30, 2005, for the first quarter of 2005.

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.

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.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

SALES TAX

Sales tax was paid on some purchases.

Governmental funds generally are exempt from the payment of sales tax on qualifying purchases. Respective tax agencies should always be contacted concerning tax exemptions and payments. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

JAY COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on September 26, 2006, with Bettie Jacobs, Administrator; and Carl Walker, Chairman of the Board.