

B37721

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

EXAMINATION REPORT  
OF

WABASH COUNTY SOIL AND  
WATER CONSERVATION DISTRICT  
WABASH COUNTY, INDIANA

January 1, 2008 to December 31, 2009



**FILED**  
11/01/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Penny K. Collins	01-01-08 to 07-23-10
	(Vacant)	07-24-10 to 08-16-10
	Michelle Sweeten	08-17-10 to 12-31-10
President of the Board of Supervisors	Barry Eppley	01-01-08 to 12-31-08
	Kevin S. Cordes	01-01-09 to 12-31-09
	Max Meyer	01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Wabash County Soil and Water Conservation 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, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

August 11, 2010

WABASH 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, 2008 And 2009

	<u>Cash and Investments 01-01-08</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-08</u>										
General	<u>\$ 74,393</u>	<u>\$ 108,255</u>	<u>\$ 126,275</u>	<u>\$ 56,373</u>										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;"><u>Cash and Investments 01-01-09</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;"><u>Cash and Investments 12-31-09</u></th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">General</td> <td style="text-align: right;"><u>\$ 56,373</u></td> <td style="text-align: right;"><u>\$ 130,847</u></td> <td style="text-align: right;"><u>\$ 132,239</u></td> <td style="text-align: right;"><u>\$ 54,981</u></td> </tr> </tbody> </table>						<u>Cash and Investments 01-01-09</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-09</u>	General	<u>\$ 56,373</u>	<u>\$ 130,847</u>	<u>\$ 132,239</u>	<u>\$ 54,981</u>
	<u>Cash and Investments 01-01-09</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-09</u>										
General	<u>\$ 56,373</u>	<u>\$ 130,847</u>	<u>\$ 132,239</u>	<u>\$ 54,981</u>										

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

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides soil and water conservation 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. 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.

WABASH COUNTY SOIL AND WATER CONSERVATION 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.

	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	<u>\$ 43,441</u>

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXAMINATION RESULT AND COMMENT

CONDITION OF RECORDS

The following items were noted during our examination:

- (1) Reconciliations to depository balances were incorrect during the two year period. Several items noted as either deposits in transit or outstanding checks were actually posting errors that had not been corrected.
- (2) Our review of the bank reconcilements as of December 31, 2009, revealed checks outstanding in excess of two years.
- (3) Some transactions such as transfers and petty cash reimbursements were not posted to the receipts and disbursements ledger.
- (4) "Plug" entries were posted to the unit's General Ledger.
- (5) Some transactions were recorded as "negative" receipts and disbursements.

IC 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

IC 5-11-10.5-2 states in part: "All warrants or checks drawn upon public funds of a political subdivision that are outstanding and unpaid for a period of two (2) or more years as of the last day of December of each year are void."

IC 5-11-10.5-3 states in part:

"Not later than March 1 of each year, the treasurer of each political subdivision shall prepare or cause to be prepared a list in triplicate of all warrants or checks that have been outstanding for a period of two (2) or more years as of December 31 of the preceding year. The original copy of each list shall be filed with the board of finance of the political subdivision or the fiscal body of a city or town. The duplicate copy shall be transmitted to the disbursing officer of the political subdivision. The triplicate copy of each list shall be filed in the office of the treasurer of the political subdivision. If the treasurer serves also as the disbursing officer of the political subdivision, only two (2) copies of each list need be prepared or caused to be prepared by the treasurer."

IC 5-11-10.5-5 states:

"(a) Upon the preparation and transmission of the copies of the list of the outstanding warrants or checks, the treasurer of the political subdivision shall enter the amounts so listed as a receipt into the fund or funds from which they were originally drawn and shall also remove the warrants or checks from the record of outstanding warrants or checks.

(b) If the disbursing officer does not serve also as treasurer of the political subdivision, the disbursing officer shall also enter the amounts so listed as a receipt into the fund or funds from which the warrants or checks were originally drawn. If the fund from which the warrant or check was originally drawn is not in existence, or cannot be ascertained, the amount of the outstanding warrant or check shall be receipted into the general fund of the political subdivision."

WABASH COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on August 11, 2010, with Penny K. Collins, former Executive Director, and Max Meyer, President of the Board of Supervisors. The officials stated: "The documented comments will be researched and resolved to the best of our ability."