

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

**FINANCIAL STATEMENTS EXAMINATION REPORT  
OF**

**BENTON COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
BENTON COUNTY, INDIANA**

**January 1, 2010 to December 31, 2014**



**FILED**  
11/24/2015



## TABLE OF CONTENTS

| <u>Description</u>  | <u>Page</u> |
|---|-------------|
| Schedule of Officials .....   | 2           |
| Independent Accountant's Report.....  | 3           |
| Financial Statements and Accompanying Notes:  |             |
| Statements of Receipts, Disbursements, and Cash and Investment<br>Balances - Regulatory Basis ..... | 6-7         |
| Notes to Financial Statements.....  | 8-9         |
| Other Information - Unaudited:  |             |
| Schedules of Receipts, Disbursements, and Cash and<br>Investment Balances - Regulatory Basis .....  | 12-16       |
| Schedule of Payables and Receivables .....  | 17          |
| Other Reports.....  | 18          |

#### SCHEDULE OF OFFICIALS

| <u>Office</u>          | <u>Official</u>  | <u>Term</u>          |
|------------------------|------------------|----------------------|
| President of the Board | Bill Hofmeyer    | 01-01-10 to 12-31-15 |
| Treasurer              | Tom Glotzbach    | 01-01-10 to 12-31-15 |
| Financial Clerk        | Michelle Scherer | 01-01-10 to 12-31-15 |



**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](http://www.in.gov/sboa)

**INDEPENDENT ACCOUNTANT'S REPORT**

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

We have examined the accompanying financial statements of the Benton County Soil and Water Conservation District (District), for the period of January 1, 2010 to December 31, 2014. The financial statements are the responsibility of the District's management. 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 and, accordingly, included examining, on a test basis, evidence supporting the financial statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, 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 discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the District for the period of January 1, 2010 to December 31, 2014.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the District for the period of January 1, 2010 to December 31, 2014, on the basis of accounting described in Note 1.

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 Payables and Receivables, 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*  
Paul D. Joyce, CPA  
State Examiner

September 23, 2015

(This page intentionally left blank.)

## 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.

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2010, 2011, and 2012

| <u>Fund</u>  | <u>Cash and<br/>Investments<br/>01-01-10</u> | <u>Receipts</u>   | <u>Disbursements</u> | <u>Cash and<br/>Investments<br/>12-31-10</u> |
|--------------|--|-------------------|----------------------|--|
| General Fund | <u>\$ 45,893</u>                             | <u>\$ 100,762</u> | <u>\$ 105,057</u>    | <u>\$ 41,598</u>                             |
| <u>Fund</u>  | <u>Cash and<br/>Investments<br/>01-01-11</u> | <u>Receipts</u>   | <u>Disbursements</u> | <u>Cash and<br/>Investments<br/>12-31-11</u> |
| General Fund | <u>\$ 41,598</u>                             | <u>\$ 59,531</u>  | <u>\$ 44,955</u>     | <u>\$ 56,174</u>                             |
| <u>Fund</u>  | <u>Cash and<br/>Investments<br/>01-01-12</u> | <u>Receipts</u>   | <u>Disbursements</u> | <u>Cash and<br/>Investments<br/>12-31-12</u> |
| General Fund | <u>\$ 56,174</u>                             | <u>\$ 14,125</u>  | <u>\$ 20,577</u>     | <u>\$ 49,722</u>                             |

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



BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Years Ended December 31, 2013 and 2014

| <u>Fund</u>  | <u>Cash and<br/>Investments<br/>01-01-13</u> | <u>Receipts</u>  | <u>Disbursements</u> | <u>Cash and<br/>Investments<br/>12-31-13</u> |
|--------------|--|------------------|----------------------|--|
| General Fund | <u>\$ 49,722</u>                             | <u>\$ 27,625</u> | <u>\$ 20,097</u>     | <u>\$ 57,250</u>                             |
|              |  |                  |                      |  |
| <u>Fund</u>  | <u>Cash and<br/>Investments<br/>01-01-14</u> | <u>Receipts</u>  | <u>Disbursements</u> | <u>Cash and<br/>Investments<br/>12-31-14</u> |
| General Fund | <u>\$ 57,250</u>                             | <u>\$ 18,685</u> | <u>\$ 15,571</u>     | <u>\$ 60,364</u>                             |

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

BENTON COUNTY SOIL AND WATER CONSERVATION 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:

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to federal grants and state grants.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine 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 which include amounts received from various sources which can include, but are not limited to the following: rental of equipment.

BENTON COUNTY SOIL AND WATER CONSERVATION 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:

Supplies include 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 office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are 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.

**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, 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.

(This page intentionally left blank.)

#### OTHER INFORMATION - UNAUDITED

The District's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

The District's Annual Report information for years 2011 and later 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 Annual Reports of the District which are 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.

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2010

|  | General<br>Fund         |
|--|-------------------------|
|  | <u>          </u>       |
| Cash and investments - beginning             | \$ 45,893               |
| Receipts:                                    |                         |
| Intergovernmental                            | 95,520                  |
| Charges for services                         | 3,023                   |
| Other receipts                               | <u>2,219</u>            |
| Total receipts                               | <u>100,762</u>          |
| Disbursements:                               |                         |
| Supplies                                     | 5,357                   |
| Other services and charges                   | 16,167                  |
| Other disbursements                          | <u>83,533</u>           |
| Total disbursements                          | <u>105,057</u>          |
| Deficiency of receipts over<br>disbursements | <u>(4,295)</u>          |
| Cash and investments - ending                | <u><u>\$ 41,598</u></u> |

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2011

|  | General<br>Fund |
|--|-----------------|
| Cash and investments - beginning         | \$ 41,598       |
| Receipts:                                |                 |
| Intergovernmental                        | 11,874          |
| Charges for services                     | 3,010           |
| Other receipts                           | 44,647          |
| Total receipts                           | 59,531          |
| Disbursements:                           |                 |
| Supplies                                 | 9,108           |
| Other services and charges               | 12,702          |
| Capital outlay                           | 20,500          |
| Other disbursements                      | 2,645           |
| Total disbursements                      | 44,955          |
| Excess of receipts over<br>disbursements | 14,576          |
| Cash and investments - ending            | \$ 56,174       |

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2012

|  | General<br>Fund         |
|--|-------------------------|
|  | <u>          </u>       |
| Cash and investments - beginning             | \$ 56,174               |
| Receipts:                                    |                         |
| Intergovernmental                            | 11,061                  |
| Charges for services                         | 2,394                   |
| Other receipts                               | <u>670</u>              |
| Total receipts                               | <u>14,125</u>           |
| Disbursements:                               |                         |
| Supplies                                     | 8,471                   |
| Other services and charges                   | 8,992                   |
| Other disbursements                          | <u>3,114</u>            |
| Total disbursements                          | <u>20,577</u>           |
| Deficiency of receipts over<br>disbursements | <u>(6,452)</u>          |
| Cash and investments - ending                | <u><u>\$ 49,722</u></u> |



BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2013

|  | General<br>Fund |
|--|-----------------|
| Cash and investments - beginning         | \$ 49,722       |
| Receipts:                                |                 |
| Intergovernmental                        | 24,085          |
| Charges for services                     | 1,840           |
| Other receipts                           | 1,700           |
| Total receipts                           | 27,625          |
| Disbursements:                           |                 |
| Supplies                                 | 5,613           |
| Other services and charges               | 9,769           |
| Capital outlay                           | 228             |
| Other disbursements                      | 4,487           |
| Total disbursements                      | 20,097          |
| Excess of receipts over<br>disbursements | 7,528           |
| Cash and investments - ending            | \$ 57,250       |

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
For the Year Ended December 31, 2014

|  | <u>General<br/>Fund</u> |
|--|-------------------------|
| Cash and investments - beginning         | \$ 57,250               |
| Receipts:                                |                         |
| Intergovernmental                        | 16,646                  |
| Charges for services                     | 1,390                   |
| Other receipts                           | <u>649</u>              |
| Total receipts                           | <u>18,685</u>           |
| Disbursements:                           |                         |
| Supplies                                 | 1,524                   |
| Other services and charges               | 6,418                   |
| Other disbursements                      | <u>7,629</u>            |
| Total disbursements                      | <u>15,571</u>           |
| Excess of receipts over<br>disbursements | <u>3,114</u>            |
| Cash and investments - ending            | <u><u>\$ 60,364</u></u> |

BENTON COUNTY SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2014

| <u>Government or Enterprise</u> | <u>Accounts<br/>Payable</u> | <u>Accounts<br/>Receivable</u> |
|---------------------------------|-----------------------------|--------------------------------|
| Governmental activities         | \$ <u>15,570</u>            | \$ <u>18,570</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/>.