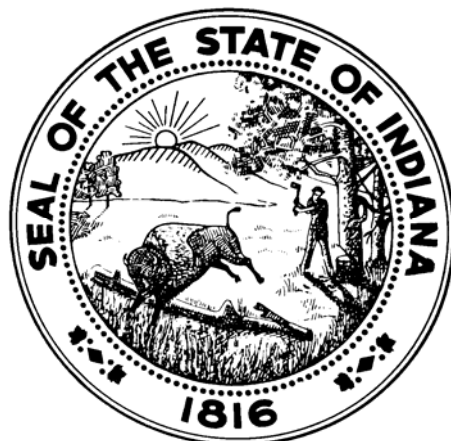


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF

FOUNTAIN COUNTY SOIL AND WATER  
CONSERVATION DISTRICT  
FOUNTAIN COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
7/31/06



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OFFICIALS

Office

Official

Term

District Coordinator

Wanda Taylor  
Lori Galloway

01-01-03 to 05-30-05  
05-31-05 to 12-31-06

President of the Board

Wesley Stockdale

01-01-03 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Fountain 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

June 29, 2006

FOUNTAIN 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>19,350</u>	\$ <u>24,736</u>	\$ <u>22,391</u>	\$ <u>21,695</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>21,695</u>	\$ <u>40,857</u>	\$ <u>36,538</u>	\$ <u>26,014</u>

The accompanying notes are an integral part of the schedules.

FOUNTAIN 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 provides the following services: public safety 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. 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.

FOUNTAIN COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXAMINATION RESULT AND COMMENT

CAPITAL ASSETS

Capital asset information presented for audit was incomplete. The listing provided did not include purchase date or purchase price.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 16)

FOUNTAIN COUNTY SOIL AND WATER CONSERVATION DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2006, with Lori Galloway, District Coordinator. The official concurred with our finding.