

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

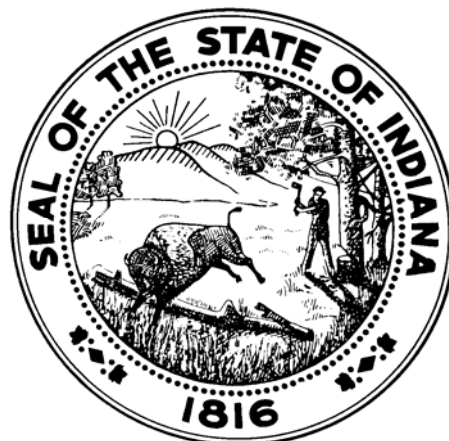
EXAMINATION REPORT

OF

LITTLE WALNUT CREEK CONSERVANCY DISTRICT

PUTNAM COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
08/21/2006



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OFFICIALS

Office

Official

Term

Financial Clerk

Katheryn E. Deer

01-01-03 to 12-31-06

President of the Board

Larry Parker  
Norman Handy

01-01-01 to 12-31-04  
01-01-05 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

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 LITTLE WALNUT CREEK  
CONSERVANCY DISTRICT, PUTNAM COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Little Walnut Creek Conservancy 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

July 24, 2006

LITTLE WALNUT CREEK CONSERVANCY 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 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 151,057	\$ 94,330	\$ 221,916	\$ 23,471
Cumulative Maintenance	2,193	10,033	5	12,221
Sinking Fund	-	152,914	-	152,914
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 153,250</u>	<u>\$ 257,277</u>	<u>\$ 221,921</u>	<u>\$ 188,606</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 23,471	\$ 122,459	\$ 116,271	\$ 29,659
Cumulative Maintenance	12,221	31,717	-	43,938
Sinking Fund	152,914	5,360	-	158,274
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 188,606</u>	<u>\$ 159,536</u>	<u>\$ 116,271</u>	<u>\$ 231,871</u>

The accompanying notes are an integral part of the schedules.

LITTLE WALNUT CREEK CONSERVANCY DISTRICT  
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District operates under an appointed governing board and provides sewage and recreation 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.

Note 6. Long-Term Debt

The District has entered into debt such as bonds for improvements. The outstanding principal at December 31, 2005, was \$111,158.

LITTLE WALNUT CREEK CONSERVANCY DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on July 24, 2006, with Katheryn E. Deer, Financial Clerk. Our examination disclosed no material items that warrant comment at this time.