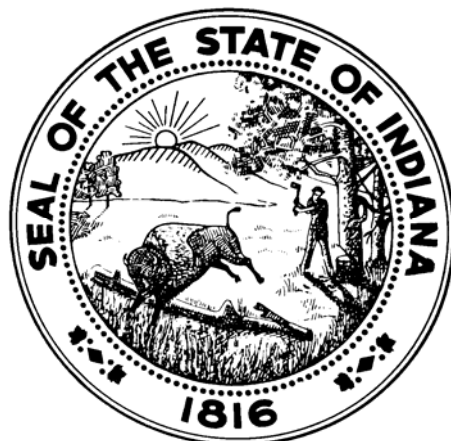


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

VERMILLION COUNTY SOIL AND WATER
CONSERVATION DISTRICT
VERMILLION COUNTY, INDIANA

January 1, 2005 to December 31, 2005



FILED
09/25/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer/District Assistant	Ginger Drenning Vacant Lisa Gilman	01-01-05 to 10-05-05 10-06-05 to 07-30-06 07-31-06 to 12-31-06
President of the Board of Supervisors	Les Zimmerman	01-01-05 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

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

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

STATE BOARD OF ACCOUNTS

August 29, 2006

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

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
General	<u>\$ 33,579</u>	<u>\$ 29,827</u>	<u>\$ 29,455</u>	<u>\$ 33,951</u>

The accompanying notes are an integral part of the schedules.

VERMILLION COUNTY SOIL AND WATER CONSERVATION DISTRICT
NOTES TO SCHEDULE

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.

VERMILLION COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXAMINATION RESULT AND COMMENT

DEPOSITS

In several instances, receipts were deposited later than the next business day. Due to a change in staff, some cash received in 2005 was not deposited until August 2006.

Indiana Code 5-13-6-1(c) states in part: "All local officers . . . who collect public funds of their respective political subdivisions shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the . . . local boards of finance. . . ."

VERMILLION COUNTY SOIL AND WATER CONSERVATION DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 29, 2006, with Lisa Gilman, Treasurer/District Assistant.