

**TOWNSHIP BULLETIN
AND UNIFORM COMPLIANCE GUIDELINES
ISSUED BY STATE BOARD OF ACCOUNTS**

Volume 325, Page 1

June 2019

ITEMS TO REMEMBER

JUNE

- June 1: Prove all ledgers for the prior month.
- On or before June 1 and December 1 of each year (or more frequently if the county legislative body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the name and address of each person who has money due from the Township to the County Treasurer. [IC 6-1.1-22-14]
- June 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for April 2019 to Gateway. [State Examiner Directive 2018-1]
- June 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- June 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- 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. [IC 5-13-6-1(e)]

JULY

- July 1: Prove all ledgers for the prior month.
- July 2: Deadline for State Budget Agency to provide Assessed Value Growth Quotient to Townships. [IC 6-1.1-18.5-2]
- July 4: Independence Day – Legal Holiday [IC 1-1-9-1]
- July 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for May 2019 to Gateway. [State Examiner Directive 2018-1]
- July 16: Department of Local Government Finance will provide each Township an estimate of the maximum permissible property tax levy for 2020, along with guidance on calculating allowable adjustments to the maximum levy. [IC 6-1.1-18.5-24]
- July 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- July 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.

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JULY
(Continued)

- July 31: Last day to file Employer's Quarterly Federal Tax Return, Form 941, with the Internal Revenue Service for payment of federal tax withheld
- July 31: Last day to file report with the Indiana Department of Workforce Development for the quarter ending June 30.

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. [IC 5-13-6-1]

Department of Local Government Finance will provide to each Township that levies a property tax an estimate of the amount by the property tax distributions will be reduced in the ensuing year due to circuit breaker credits. [IC 6-1.1-20.6-11.1]

AUGUST

- August 1: Prove all ledgers for the prior month.
- Post a verified statement showing the indebtedness of the Township in detail and giving the number and total amount of outstanding orders, warrants, and accounts. [IC 36-6-4-10]
- At their first meeting in August, the county fiscal body shall review the estimated property tax levy limits and the estimated reductions due to circuit breakers for each Township. The county fiscal body will either prepare and distribute a written recommendation for the taxing units or the county auditor will distribute the minutes of the meeting to all Townships after the minutes are approved by the fiscal body. [IC 6-1.1-17-3.6]
- August 15: Deadline to upload monthly bank reconcilements, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for June 2019 to Gateway. [State Examiner Directive 2018-1]
- August 20: If your monthly average tax withheld is more than \$1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- August 30: If your monthly average tax withheld is \$1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
- August 31: 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. [IC 5-13-6-1]

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PHISHING EMAILS

Please be aware that periodically phishing emails requesting payment for unpaid audit costs are sent out impersonating various SBOA staff. It is not a normal practice for the State Board of Accounts to send requests for unpaid audit costs via email. Any invoices or bills regarding your audit costs will come via the US Postal Service, unless you are contacted by us via phone call. In this case, where we do plan to send you a billing statement via email, you will have been contacted directly via phone call, by one of our SBoA personnel prior to receiving the email. If you ever have any questions regarding audit cost requests, please do not hesitate to contact us.

RATES FOR LEGAL ADVERTISING

Rates effective January 1, 2019 were computed based upon the statutorily authorized 2.75% increase allowed by IC 5-3-1-1(b)(4). Any percentage increase other than the 2.75% will require a separate computation by the State Board of Accounts. A newspaper, locality newspaper, or qualified publication may, effective January 1 or any year increase the basic charges by not more than 2.75% of the basic charges that were in effect during the previous year. The computed rates for legal advertising can be found on the SBOA website under Resources.

2019 ACCOUNTING AND FINANCIAL REGULATORY MANUAL

We have updated the Accounting and Financial Regulatory Reporting Manual effective for reporting periods beginning January 1, 2019. Units provide information in the Gateway Annual Financial Report submission and that information is included in the financial statements in accordance with this manual. These financial statements are audited by the State Board of Accounts. The following changes discuss the additional information that will be presented in the financial statements and collected from the Annual Financial Report submission in Gateway. This new manual can be found at the link below and under the Uniform Compliance Guidelines section of the school page on the State Board of Accounts website at <https://www.in.gov/sboa/4449.htm>.

[2019 Accounting and Financial Regulatory Reporting Manual](#)

The financial statement will present the beginning balance, total receipts, total disbursements, and ending balance for each fund separately. The receipts presented should be categorized into the following areas: taxes, licenses and permits, intergovernmental, charges for services, fines and forfeits, utility fees, and other receipts. The disbursements presented should be categorized into the following areas: personal services, supplies, other services and charges, debt service – principal and interest, capital outlay, utility operating expenses, and other disbursements.

Debt and leases will no longer be included in unaudited information but will instead appear in the notes to the financial statements. The debt note disclosure has been updated to include the beginning balance for the year, as well as increases and decreases of long-term debt during the year. The disclosures for debt and leases will include a schedule of principal and interest payments until the maturity of the debt or lease.

Transfers to and from funds will appear as a note disclosure. The note will contain details of the specific fund that transferred money and the fund that received the money. The amount will also be disclosed.

The pension note disclosure will provide additional details, such as benefits provided under the plan, actuarial assumptions, and the funding policy. If postemployment benefits other than pension benefits are offered, a note should indicate the plan type, plan description, benefits offered, and contributions to the plan.

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2019 ACCOUNTING AND FINANCIAL REGULATORY MANUAL
(Continued)

The only schedule appearing as supplementary information will be the Schedule of Capital Assets. The format has been updated to include the beginning balance for the year, as well as increases and decreases of capital assets during the year by asset category.

The appendix of the manual contains examples of the financial statement, note disclosures, and the supplementary information.

We have compiled a document that outlines the schedule of changes to the Accounting and Financial Regulatory Reporting Manual below.

[Schedule of Regulatory Changes](#)

NEW LAWS AFFECTING TOWNSHIPS

The following is a Digest of some of the laws passed by the 2019 Regular and Special Sessions of the General Assembly affecting Townships. Please note the effective dates. Some of the laws do not pertain directly to Townships but are included for ready reference to the covered subject matter.

The Digest is not intended as an expression of legal interpretation. The Digest is also not intended to be all inclusive. References in the Digest will be to the Indiana Code in the following form (Amends IC 20-26-1-4) (Amends Indiana Code, Title 20, Article 26, Chapter 1, Section 4). The final version of each Public Law can be found on the Indiana General Assembly website (<http://iga.in.gov/>). If you have any questions regarding legal interpretation, please consult your Township attorney.

Public Law 129-2019, House Enrolled Act 1177 – Effective July 1, 2019

Township government issues

Adds	IC 36-6-6-16; IC 36-6-9
Amends	IC 36-1-1.5-9
Repeals	IC 36-1-1.5-14

Requires a township to prepare a capital improvement plan for at least the ensuing three years if the balance in certain capital improvement funds in the preceding year exceeds both of the following: (1) 150% of the township's annual budget estimate. (2) \$200,000. Prohibits the township from collecting property taxes for certain capital improvement funds in the ensuing year unless the township has adopted a capital improvement plan. Allows a township to make a one time transfer of an excess balance or part of an excess balance between township funds. Provides that the transfer may not be completed until after the township adopts a capital improvement plan, if the township is required to adopt a capital improvement plan. Requires the transfers must be completed not later than September 1, 2020. Provides that if an eligible municipality petitions an adjacent township to accept the transfer of the territory of the eligible municipality that is within the transferor township, the legislative body of the adjacent township must accept transfer of the territory of an eligible municipality within two years (instead of one year) after the legislative body receives the petition. Repeals a provision that prohibits the transfer of territory from taking effect in the year before a federal decennial census is conducted.

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**Public Law 203-2019, House Enrolled Act 1192 – Effective Upon Passage
Theft by Public Servants**

Amends IC 5-10.3-8-9; IC 5-10.4-5-14; IC 10-12-2-10; IC 33-38-6-19.5; IC 33-39-7-10.5; IC 35-43-4-2;
IC 36-8-6-14; IC 36-8-7-22 IC 36-8-7.5-19; IC 36-8-8-17

Specifies that in the case of a public servant who criminally exerts unauthorized control over public funds of the public servant's employer, the employer may be reimbursed from the public servant's public pension fund contributions and benefits. Provides that the employer may withhold payment of the public servant's contributions and interest during the pendency of the criminal case, but may not withhold the: (1) monthly pension portion of a retired public servant; or (2) disability benefits of a public servant who becomes disabled; during that time. Provides that assets of the judges' retirement system and the prosecuting attorneys retirement fund are exempt from levy, sale, garnishment, attachment, or other legal process. (Current law provides similar exemptions for certain funds administered by the Indiana public retirement system).

Additional Public Laws affecting Townships passed during 2019 session:

P.L. 164	HEA 1116	Various local government matters
P.L. 257	HEA 1427	Local government matters

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