

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

EXAMINATION REPORT

OF

FUGIT TOWNSHIP

DECATUR COUNTY, INDIANA

January 1, 2002 to December 31, 2005



FILED
7/26/06

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James M. Geis	01-01-99 to 12-31-06
Chairman of the Township Board	William Metz	01-01-02 to 12-31-02
	Carl Geis	01-01-03 to 12-31-03
	William Metz	01-01-04 to 12-31-04
	Carl Geis	01-01-05 to 12-31-05
	William Metz	01-01-06 to 12-31-06



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FUGIT TOWNSHIP, DECATUR COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Fugit Township (Township), for the period of January 1, 2002 to December 31, 2005. The Township'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 Township for the years ended December 31, 2002, 2003, 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 22, 2006

FUGIT TOWNSHIP, DECATUR COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 29,714	\$ 39,095	\$ 30,407	\$ 38,402
Dog	185	180	-	365
Township Assistance	62,004	2,291	2,245	62,050
Firefighting	1,073	12,438	12,500	1,011
Cemetery	179	1,400	1,400	179
Cumulative Fire	<u>71,274</u>	<u>21,354</u>	<u>75,776</u>	<u>16,852</u>
Totals	<u>\$ 164,429</u>	<u>\$ 76,758</u>	<u>\$ 122,328</u>	<u>\$ 118,859</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 38,402	\$ 17,494	\$ 36,883	\$ 19,013
Dog	365	264	64	565
Township Assistance	62,050	767	952	61,865
Firefighting	1,011	12,504	13,500	15
Cemetery	179	1,000	1,160	19
Cumulative Fire	<u>16,852</u>	<u>16</u>	<u>-</u>	<u>16,868</u>
Totals	<u>\$ 118,859</u>	<u>\$ 32,045</u>	<u>\$ 52,559</u>	<u>\$ 98,345</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 19,013	\$ 49,660	\$ 35,121	\$ 33,552
Dog	565	274	264	575
Township Assistance	61,865	1,978	1,608	62,235
Firefighting	15	14,567	14,500	82
Cemetery	19	1,400	840	579
Cumulative Fire	<u>16,868</u>	<u>35,042</u>	<u>37,000</u>	<u>14,910</u>
Totals	<u>\$ 98,345</u>	<u>\$ 102,921</u>	<u>\$ 89,333</u>	<u>\$ 111,933</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 33,552	\$ 43,807	\$ 25,823	\$ 51,536
Dog	575	260	284	551
Township Assistance	62,235	1,899	2,834	61,300
Firefighting	82	17,507	17,097	492
Cemetery	579	1,400	840	1,139
Levy Excess	-	940	940	-
Cumulative Fire	<u>14,910</u>	<u>30,508</u>	<u>42,386</u>	<u>3,032</u>
Totals	<u>\$ 111,933</u>	<u>\$ 96,321</u>	<u>\$ 90,204</u>	<u>\$ 118,050</u>

The accompanying notes are an integral part of the schedules.

FUGIT TOWNSHIP, DECATUR COUNTY
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, and general administrative services.

Note 2. Fund Accounting

The Township 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 Township 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.

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 Township 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 7. Long-Term Debt

The Township has entered into debt such as a capital lease for a new fire truck. The outstanding principal at December 31, 2005, was \$92,335.

FUGIT TOWNSHIP, DECATUR COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Cumulative Fire	2004	\$ 4,150
Cumulative Fire	2005	17,000

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

INTEREST ON INVESTMENTS

Interest earned on investments in some instances was automatically added to the principal and not recorded in the records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

DOG TAX ADMINISTRATIVE FEE

Administrative fees for dog tax were not receipted to the Township Fund.

Indiana Code 15-5-9-1 states in part: "For each individual dog tag or kennel license issued under this chapter, the township assessor (or trustee who collects the fee) shall retain from the fee described in this section, an administrative fee of fifty cents (\$0.50). Administrative fees collected by the assessor shall be deposited in the county general fund, and administrative fees collected by the trustee shall be deposited in the township general fund."

FUGIT TOWNSHIP, DECATUR COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 22, 2006, with James M. Geis, Trustee. The official concurred with our findings.