

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

EXAMINATION REPORT

OF

RICHLAND TOWNSHIP

MONROE COUNTY, INDIANA

January 1, 2000 to December 31, 2004



**FILED**  
08/09/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Donald Lewis	01-01-99 to 12-31-06
Chairman of the Township Board	Garnet Durnil	01-01-00 to 12-31-00
	Richard Landgrebe	01-01-01 to 12-31-04
	Bonnie Davis	01-01-05 to 12-31-06



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RICHLAND TOWNSHIP, MONROE COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Richland Township (Township), for the period of January 1, 2000 to December 31, 2004. 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, 2000, 2001, 2002, 2003, and 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 30, 2006

RICHLAND TOWNSHIP, MONROE COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2000, 2001, 2002, 2003, And 2004

	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
Governmental Funds:				
General	\$ 166,471	\$ 110,397	\$ 72,403	\$ 204,465
Dog	433	-	133	300
Township Assistance	24,838	19,552	29,352	15,038
Firefighting	39,991	331,824	330,552	41,263
Park and Recreation	1,483	3,546	4,039	990
Fire Debt	11,592	-	11,592	-
Totals	<u>\$ 244,808</u>	<u>\$ 465,319</u>	<u>\$ 448,071</u>	<u>\$ 262,056</u>

	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
Governmental Funds:				
General	\$ 204,465	\$ 349,316	\$ 304,932	\$ 248,849
Dog	300	396	240	456
Township Assistance	15,038	91,668	85,512	21,194
Firefighting	41,263	302,598	294,579	49,282
Park and Recreation	990	4,312	4,734	568
Fiduciary Fund:				
Payroll Withholdings	-	15,428	14,099	1,329
Totals	<u>\$ 262,056</u>	<u>\$ 763,718</u>	<u>\$ 704,096</u>	<u>\$ 321,678</u>

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 248,849	\$ 101,240	\$ 78,059	\$ 272,030
Dog	456	128	256	328
Township Assistance	21,194	119,923	96,313	44,804
Firefighting	49,282	352,910	359,014	43,178
Park and Recreation	568	5,491	4,891	1,168
Fiduciary Fund:				
Payroll Withholdings	1,329	21,119	22,448	-
Totals	<u>\$ 321,678</u>	<u>\$ 600,811</u>	<u>\$ 560,981</u>	<u>\$ 361,508</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 272,030	\$ 73,710	\$ 73,823	\$ 271,917
Dog	328	124	28	424
Township Assistance	44,804	68,768	109,869	3,703
Firefighting	43,178	199,772	373,675	(130,725)
Park and Recreation	1,168	1,673	4,834	(1,993)
Fiduciary Fund:				
Payroll Withholdings	-	25,738	25,590	148
Totals	<u>\$ 361,508</u>	<u>\$ 369,785</u>	<u>\$ 587,819</u>	<u>\$ 143,474</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 271,917	\$ 105,125	\$ 91,515	\$ 285,527
Dog	424	130	124	430
Township Assistance	3,703	129,591	105,507	27,787
Firefighting	(130,725)	587,132	219,407	237,000
Park and Recreation	(1,993)	6,864	3,999	872
Fiduciary Fund:				
Payroll Withholdings	148	28,150	32,180	(3,882)
Totals	<u>\$ 143,474</u>	<u>\$ 856,992</u>	<u>\$ 452,732</u>	<u>\$ 547,734</u>

The accompanying notes are an integral part of the schedules.

RICHLAND TOWNSHIP, MONROE 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, culture and recreation 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township 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 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.

RICHLAND TOWNSHIP, MONROE COUNTY  
NOTES TO SCHEDULES  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

RICHLAND TOWNSHIP, MONROE COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder:

Don Lewis, Township Trustee

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

MILEAGE REIMBURSEMENT

Some employees were reimbursed for mileage without filing Mileage Claim, General Form 101.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the Township had money due from the Township, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

INTEREST ON INVESTMENTS

Interest earned on investments 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)

RICHLAND TOWNSHIP, MONROE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on May 30, 2006, with Donald Lewis, Trustee. The official concurred with our findings.