

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

EXAMINATION REPORT
OF
BRAZIL TOWNSHIP
CLAY COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
09/20/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Marcia Tozer	01-01-03 to 12-31-06
Chairman of the Township Board	James Zentko	01-01-04 to 12-30-04
	Frieda Modesitt	12-31-04 to 03-31-05
	Steve Lamb	04-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BRAZIL TOWNSHIP, CLAY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash balances of Brazil Township (Township), for the period of January 1, 2004 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 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, 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

August 15, 2006

BRAZIL TOWNSHIP, CLAY COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH 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	\$ 47,758	\$ 65,464	\$ 86,467	\$ 26,755
Dog	525	459	228	756
Township Assistance	10,836	84,560	66,065	29,331
Firefighting	467	32,881	19,750	13,598
Rainy Day Fund	-	8,021	8,021	-
Levy Excess	440	-	440	-
Totals	<u>\$ 60,026</u>	<u>\$ 191,385</u>	<u>\$ 180,971</u>	<u>\$ 70,440</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 26,755	\$ 61,055	\$ 56,554	\$ 31,256
Dog	756	290	459	587
Township Assistance	29,331	53,511	63,343	19,499
Firefighting	13,598	14,182	16,000	11,780
Totals	<u>\$ 70,440</u>	<u>\$ 129,038</u>	<u>\$ 136,356</u>	<u>\$ 63,122</u>

The accompanying notes are an integral part of the schedules.

BRAZIL TOWNSHIP, CLAY 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. 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

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.

BRAZIL TOWNSHIP, CLAY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 15, 2006, with Marcia Tozer, Trustee. Our examination disclosed no material items that warrant comment at this time.