

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

EXAMINATION REPORT
OF
METAMORA TOWNSHIP
FRANKLIN COUNTY, INDIANA
January 1, 2002 to December 31, 2005



FILED
09/22/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules	5
Examination Results and Comments:	
Appropriations.....	6
Disbursement Documentation	6
Contracts	6
Overdrawn Cash Balance.....	6
Exit Conference.....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Aliton Murphy Linda R. Murphy	01-01-99 to 12-31-02 01-01-03 to 12-31-06
Chairman of the Township Board	Jenny Stone Jamie Gunkel	01-01-02 to 12-31-02 01-01-03 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF METAMORA TOWNSHIP, FRANKLIN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Metamora 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

August 14, 2006

METAMORA TOWNSHIP, FRANKLIN 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, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 21,732	\$ 31,281	\$ 19,102	\$ 33,911
Dog	(834)	78	200	(956)
Township Assistance	28,827	4,692	3,258	30,261
Firefighting	37,349	4,680	3,500	38,529
Levy Excess	753	-	-	753
Fiduciary Fund:				
Payroll Withholdings	-	688	688	-
Totals	<u>\$ 87,827</u>	<u>\$ 41,419</u>	<u>\$ 26,748</u>	<u>\$ 102,498</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 33,911	\$ 14,990	\$ 12,475	\$ 36,426
Dog	(956)	964	-	8
Township Assistance	30,261	2,088	3,084	29,265
Firefighting	38,529	2,176	26,000	14,705
Levy Excess	753	-	-	753
Fiduciary Fund:				
Payroll Withholdings	-	688	516	172
Totals	<u>\$ 102,498</u>	<u>\$ 20,906</u>	<u>\$ 42,075</u>	<u>\$ 81,329</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 36,426	\$ 9,408	\$ 14,443	\$ 31,391
Dog	8	85	-	93
Township Assistance	29,265	6,095	3,884	31,476
Firefighting	14,705	15,194	10,000	19,899
Levy Excess	753	-	-	753
Fiduciary Fund:				
Payroll Withholdings	172	803	774	201
Totals	<u>\$ 81,329</u>	<u>\$ 31,585</u>	<u>\$ 29,101</u>	<u>\$ 83,813</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 31,391	\$ 16,421	\$ 16,569	\$ 31,243
Dog	93	88	-	181
Township Assistance	31,476	4,030	7,787	27,719
Firefighting	19,899	12,326	5,000	27,225
Levy Excess	753	-	-	753
Fiduciary Fund:				
Payroll Withholdings	201	918	889	230
Totals	<u>\$ 83,813</u>	<u>\$ 33,783</u>	<u>\$ 30,245</u>	<u>\$ 87,351</u>

The accompanying notes are an integral part of the schedules.

METAMORA TOWNSHIP, FRANKLIN 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.

METAMORA TOWNSHIP, FRANKLIN 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>
Township Fund	2002	\$ 7,652
Township Assistance	2002	1,258
Firefighting Fund	2002	500
Township Fund	2003	450
Township Assistance	2003	1,085
Township Fund	2004	668
Township Assistance	2004	1,884
Firefighting Fund	2004	4,000
Township Fund	2005	969
Township Assistance	2005	5,187

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."

DISBURSEMENT DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation such as receipts and invoices.

Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONTRACTS

Records presented for audit indicate payments were made to Metamora Volunteer Fire Department for fire protection in 2002, 2003, and 2004 without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OVERDRAWN CASH BALANCE

The cash balance of the Dog Fund was overdrawn in 2002.

The cash balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

METAMORA TOWNSHIP, FRANKLIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 14, 2006, with Linda R. Murphy, Trustee. The official concurred with our findings.