

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

EXAMINATION REPORT

OF

BETHLEHEM TOWNSHIP

CASS COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED

10/26/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Marilyn Liming	01-01-02 to 12-31-06
Chairman of the Township Board	Alan Liming	01-01-03 to 12-31-03
	Timothy M. Cowell	01-01-04 to 12-31-04
	Dale Skinner	01-01-05 to 12-31-05
	Alan Liming	01-01-06 to 12-31-06



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BETHLEHEM TOWNSHIP, CASS COUNTY, INDIANA

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

September 28, 2006

BETHLEHEM TOWNSHIP, CASS COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT 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	\$ 12,339	\$ 5,783	\$ 9,493	\$ 8,629
Dog	445	116	163	398
Township Assistance	5,438	288	2,122	3,604
Firefighting	18,759	10,922	10,937	18,744
Totals	<u>\$ 36,981</u>	<u>\$ 17,109</u>	<u>\$ 22,715</u>	<u>\$ 31,375</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 8,629	\$ 9,688	\$ 10,143	\$ 8,174
Dog	398	136	534	-
Township Assistance	3,604	531	1,203	2,932
Firefighting	18,744	14,823	11,495	22,072
Levy Excess	-	138	-	138
Totals	<u>\$ 31,375</u>	<u>\$ 25,316</u>	<u>\$ 23,375</u>	<u>\$ 33,316</u>

The accompanying notes are an integral part of the schedules.

BETHLEHEM TOWNSHIP, CASS 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 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.

BETHLEHEM TOWNSHIP, CASS COUNTY
EXAMINATION RESULT AND COMMENT

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)

BETHLEHEM TOWNSHIP, CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 28, 2006, with Duke Liming, Clerk. The official concurred with our finding.