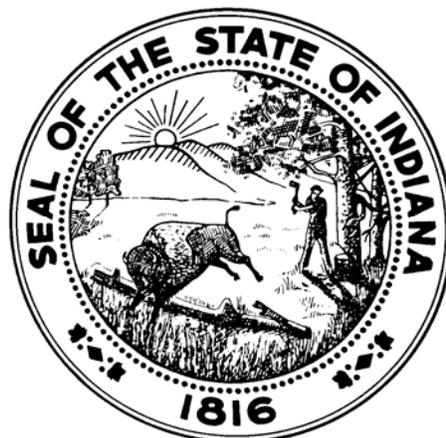


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
JACKSON TOWNSHIP
HAMILTON COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
10/27/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Duane E. Hiatt	01-01-03 to 12-31-06
Chairman of the Township Board	William Condor Barbara Inman	01-01-02 to 08-08-06 08-08-06 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JACKSON TOWNSHIP, HAMILTON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Jackson 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 27, 2006

JACKSON TOWNSHIP, HAMILTON 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 2,519	\$ 74,430	\$ 63,187	\$ 13,762
Dog	1,424	934	1,532	826
Township Assistance	7,557	16,643	13,090	11,110
Firefighting	40,808	215,125	199,490	56,443
Emergency Medical Service	44,288	57,810	52,883	49,215
Fire Debt	4,554	37,753	28,775	13,532
Cumulative Fire	119,793	58,061	124,170	53,684
Fiduciary Fund:				
Payroll Withholdings	-	47,205	47,205	-
Totals	<u>\$ 220,943</u>	<u>\$ 507,961</u>	<u>\$ 530,332</u>	<u>\$ 198,572</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 13,762	\$ 69,825	\$ 68,516	\$ 15,071
Dog	826	814	554	1,086
Township Assistance	11,110	8,230	10,881	8,459
Firefighting	56,443	159,567	188,537	27,473
Emergency Medical Service	49,215	122,510	149,319	22,406
Levy Excess	-	2,877	-	2,877
Fire Debt	13,532	27,563	29,244	11,851
Cumulative Fire	53,684	38,038	24,947	66,775
Fiduciary Fund:				
Payroll Withholdings	-	76,179	76,179	-
Totals	<u>\$ 198,572</u>	<u>\$ 505,603</u>	<u>\$ 548,177</u>	<u>\$ 155,998</u>

The accompanying notes are an integral part of the schedules.

JACKSON TOWNSHIP, HAMILTON COUNTY
NOTES TO SCHEDULES

Note 1. Introduction

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 6. Long-Term Debt

The Township has entered into debt such as a loan for the purchase of a Township Building. The outstanding principal at December 31, 2005, was \$39,879.70.

Note 7. Subsequent Event

On June 20, 2006, the Township Board approved the purchase of a 2100 gallon Infinite Tanker for \$192,280 from S & S Fire Apparatus.

JACKSON TOWNSHIP, HAMILTON COUNTY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

Information presented did not include a completed record of capital assets using Capital Asset Ledger Form 369.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

LEAVE AND OVERTIME POLICY

The Jackson Township Fire Department policy was observed but the Township does not have a leave or overtime policy and no mention of the policy is in the contract with the Jackson Township Fire Department.

Each governmental unit should adopt written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime. Negotiated labor contracts approved by the governing board would be considered as written policy. The policy should conform to the requirements of all state and federal regulatory agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PRESCRIBED FORM

Prescribed Employee Service Record (Form 99A) was not in use.

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)

JACKSON TOWNSHIP, HAMILTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2006, with Duane E. Hiatt, Trustee; and Peggy L. Hiatt, Clerk. The officials concurred with our findings.