

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

EXAMINATION REPORT  
OF  
CENTER TOWNSHIP  
GREENE COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
11/03/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Kermit E. Holtsclaw	01-01-03 to 12-31-06
Chairman of the Township Board	Joseph Johnson	01-01-04 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER TOWNSHIP, GREENE COUNTY, INDIANA

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

October 4, 2006

CENTER TOWNSHIP, GREENE 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	\$ 165,356	\$ 11,181	\$ 21,224	\$ 155,313
Dog	1,036	1,009	971	1,074
Township Assistance	14,638	24,066	10,616	28,088
Firefighting	59,135	79,651	46,166	92,620
Fire Equipment Debt	(22,500)	74,309	45,885	5,924
Building or Remodeling	10,055	-	10,055	-
Cumulative Fire	(5,477)	22,935	32,701	(15,243)
Totals	<u>\$ 222,243</u>	<u>\$ 213,151</u>	<u>\$ 167,618</u>	<u>\$ 267,776</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 155,313	\$ 28,336	\$ 22,802	\$ 160,847
Dog	1,074	1,113	2,294	(107)
Township Assistance	28,088	23,904	27,927	24,065
Firefighting	92,620	61,615	58,970	95,265
Rainy Day	-	13,000	12,500	500
Fire Equipment Debt	5,924	51,708	45,885	11,747
Cumulative Fire	(15,243)	21,580	15,013	(8,676)
Totals	<u>\$ 267,776</u>	<u>\$ 201,256</u>	<u>\$ 185,391</u>	<u>\$ 283,641</u>

The accompanying notes are an integral part of the schedules.

CENTER TOWNSHIP, GREENE 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.

Note 6. Long-Term Debt

The Township has entered into debt such as a loan for a fire station. The outstanding principal at December 31, 2005, was \$150,503.

CENTER TOWNSHIP, GREENE 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>
Firefighting Fund	2004	\$ 2,166
Firefighting Fund	2005	2,970
Cumulative Fire Fund	2005	25,886

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."

OVERDRAWN CASH BALANCES

The cash balance of the Cumulative Fire Fund and the Dog Fund was overdrawn in 2005, \$8,676 and \$107, respectively.

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

CENTER TOWNSHIP, GREENE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 4, 2006, with Kermit E. Holtsclaw, Trustee.