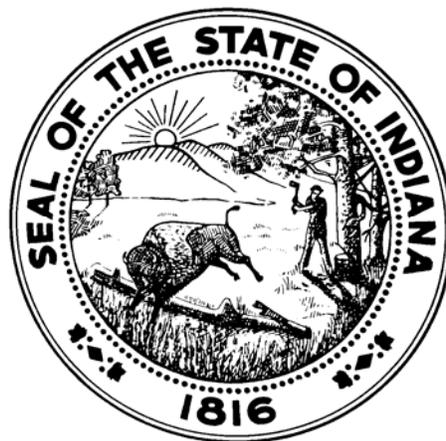


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
MT. PLEASANT TOWNSHIP
DELAWARE COUNTY, INDIANA
January 1, 2003 to December 31, 2005



FILED
12/13/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Stephen W. Fields	01-01-03 to 12-31-06
Chairman of the Township Board	Ed Smith	01-01-03 to 12-31-03
	William Spears	01-01-04 to 12-31-05
	Ed Smith	01-01-06 to 12-31-06



STATE OF INDIANA
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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MT. PLEASANT TOWNSHIP, DELAWARE COUNTY, INDIANA

We have examined the financial information presented herein of Mt. Pleasant Township (Township), for the period of January 1, 2003 to December 31, 2005. The Township's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 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

November 1, 2006

MT. PLEASANT TOWNSHIP, DELAWARE 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, 2003, 2004, And 2005

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 124,358	\$ 47,799	\$ 94,852	\$ 77,305
Dog	238	196	188	246
Township Assistance	(11,810)	89,241	70,971	6,460
Firefighting	6,007	147,223	150,360	2,870
Fire Debt	59,889	64,675	68,310	56,254
Cumulative Fire	112,665	83,218	10,584	185,299
Fiduciary Fund:				
Payroll Withholdings	-	1,756	1,779	(23)
Totals	<u>\$ 291,347</u>	<u>\$ 434,108</u>	<u>\$ 397,044</u>	<u>\$ 328,411</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 77,305	\$ 64,874	\$ 103,627	\$ 38,552
Dog	246	173	-	419
Township Assistance	6,460	113,035	52,248	67,247
Firefighting	2,870	148,669	107,473	44,066
Rainy Day	-	6,338	-	6,338
Fire Debt	56,254	72,253	71,719	56,788
Cumulative Fire	185,299	64,648	79,174	170,773
Fiduciary Fund:				
Payroll Withholdings	(23)	-	-	(23)
Totals	<u>\$ 328,411</u>	<u>\$ 469,990</u>	<u>\$ 414,241</u>	<u>\$ 384,160</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 38,552	\$ 105,385	\$ 112,551	\$ 31,386
Dog	419	160	119	460
Township Assistance	67,247	71,368	62,040	76,575
Firefighting	44,066	165,872	115,270	94,668
Rainy Day	6,338	-	-	6,338
Donation	-	200	200	-
Levy Excess	-	2,645	-	2,645
Fire Debt	56,788	71,044	70,142	57,690
Cumulative Fire	170,773	68,526	24,624	214,675
Fiduciary Fund:				
Payroll Withholdings	(23)	11,449	10,999	427
Totals	<u>\$ 384,160</u>	<u>\$ 496,649</u>	<u>\$ 395,945</u>	<u>\$ 484,864</u>

The accompanying notes are an integral part of the schedules.

MT. PLEASANT TOWNSHIP, DELAWARE COUNTY
NOTES TO FINANCIAL INFORMATION

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.

MT. PLEASANT TOWNSHIP, DELAWARE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 7. Long-Term Debt

The Township has entered into various debts such as bonds for a fire station and a capital lease for a fire truck. The outstanding principal at December 31, 2005, was \$700,356 and \$20,115, respectively.

Note 8. Subsequent Event

A fire truck was purchased in the amount of \$310,730. The Township paid \$124,031 in cash and obtained a lease in the amount of \$186,699.

MT. PLEASANT TOWNSHIP, DELAWARE COUNTY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

Information presented for audit did not indicate an inventory or record of capital assets.

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)

TOWNSHIP FORM 17

The Township Form 17, Resolution Recommending Salaries of Township Officers and Employees, was not available for review for the year 2003.

Indiana Code 36-6-6-10(b) states: "The township legislative body shall fix the: (1) salaries; (2) wages; (3) rates of hourly pay; and (4) remuneration other than statutory allowances; of all officers and employees of the township."

MT. PLEASANT TOWNSHIP, DELAWARE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 1, 2006, with Stephen W. Fields, Trustee; William Spears, Member of Township Board; and Patricia Fields, Clerk. The official response has been made a part of this report and may be found on page 9.

November 4, 2006

RE: Township Trustee Response

To Whom It May Concern:

The salary resolution for 2003 was required to be adopted in September 2002 by the previous administration. No salary resolution was provided to us on January 1, 2003 by the previous administration. Since the budget for 2003 was approved by the DLGF, we had the understanding that everything was in order and properly approved.

Thank you,



*Stephen W. Fields
Mt. Pleasant Trustee*

pf