

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

EXAMINATION REPORT
OF
PATOKA TOWNSHIP
GIBSON COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
01/16/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information.....	5-6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Neil Moody

01-01-03 to 12-31-06

Chairman of the
Township Board

Richard Fitch

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 PATOKA TOWNSHIP, GIBSON COUNTY, INDIANA

We have examined the financial information presented herein of Patoka Township (Township), for the period of January 1, 2004 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, 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

December 4, 2006

PATOKA TOWNSHIP, GIBSON 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:				
Township	\$ 201,028	\$ 106,493	\$ 80,055	\$ 227,466
Dog	330	80	30	380
Township Assistance	107,016	75,417	52,369	130,064
Firefighting	134,268	701,422	455,009	380,681
Levy Excess	913	-	-	913
Fire Building Debt	39,902	41,423	78,332	2,993
Construction	3,256	-	-	3,256
Donation	1,889	4,715	4,501	2,103
Run Fund	9,574	12,412	1,275	20,711
Loan and Interest Fund	-	148,878	142,895	5,983
Cumulative Fire	150,736	106,127	39,739	217,124
Fiduciary Fund:				
Payroll Withholdings	5,541	83,193	82,751	5,983
Totals	<u>\$ 654,453</u>	<u>\$ 1,280,160</u>	<u>\$ 936,956</u>	<u>\$ 997,657</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 227,466	\$ 129,143	\$ 84,504	\$ 272,105
Dog	380	104	120	364
Township Assistance	130,064	74,447	62,481	142,030
Firefighting	380,681	843,461	601,984	622,158
Levy Excess	913	11,243	-	12,156
Fire Building Debt	2,993	-	514	2,479
Construction	3,256	-	-	3,256
Donation	2,103	3,200	888	4,415
Run Fund	20,711	3,850	25	24,536
Loan and Interest Fund	5,983	142,732	145,076	3,639
Cumulative Fire	217,124	108,355	175,935	149,544
Fiduciary Fund:				
Payroll Withholdings	5,983	97,178	96,375	6,786
Totals	<u>\$ 997,657</u>	<u>\$ 1,413,713</u>	<u>\$ 1,167,902</u>	<u>\$ 1,243,468</u>

The accompanying notes are an integral part of the schedules.

PATOKA TOWNSHIP, GIBSON 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, culture and recreation, 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.

PATOKA TOWNSHIP, GIBSON 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.

PATOKA TOWNSHIP, GIBSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 4, 2006, with Neil Moody, Trustee. Our examination disclosed no material items that warrant comment at this time.