

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

EXAMINATION REPORT  
OF  
OREGON TOWNSHIP  
STARKE COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
02/28/2007



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OFFICIALS

Office

Official

Term

Trustee

Warren Allen

01-01-03 to 12-31-10

Chairman of the  
Township Board

Ted Bieley

01-01-05 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF OREGON TOWNSHIP, STARKE COUNTY, INDIANA

We have examined the financial information presented herein of Oregon Township (Township), for the period of January 1, 2005 to December 31, 2006. 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, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. The Schedule of Long-Term Debt has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on the Schedule of Long-Term Debt.

STATE BOARD OF ACCOUNTS

January 24, 2007

OREGON TOWNSHIP, STARKE COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 31,274	\$ 32,473	\$ 34,499	\$ 29,248
Dog	487	107	187	407
Township Assistance	4,892	10,272	5,923	9,241
Firefighting	41,457	44,120	55,336	30,241
Levy Excess	-	3,832	-	3,832
Fire Debt	222	-	222	-
Cumulative Fire	64,297	21,626	2,467	83,456
Totals	<u>\$ 142,629</u>	<u>\$ 112,430</u>	<u>\$ 98,634</u>	<u>\$ 156,425</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 29,248	\$ 38,263	\$ 30,085	\$ 37,426
Dog	407	125	532	-
Township Assistance	9,241	8,672	9,580	8,333
Firefighting	30,241	47,767	54,277	23,731
Levy Excess	3,832	-	-	3,832
Cumulative Fire	83,456	127,077	178,267	32,266
Totals	<u>\$ 156,425</u>	<u>\$ 221,904</u>	<u>\$ 272,741</u>	<u>\$ 105,588</u>

The accompanying notes are an integral part of the schedules.

OREGON TOWNSHIP, STARKE 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.

OREGON TOWNSHIP, STARKE COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2006

The Township has entered into the following long-term debt:

Description of Debt	Ending Balance	Due Within One Year
Governmental Activities:		
Notes and loans payable	\$ 97,219	\$ 15,928
Total governmental activities long-term debt	<u>\$ 97,219</u>	<u>\$ 15,928</u>

OREGON TOWNSHIP, STARKE 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>
Township Assistance Fund	2006	\$ 580
Firefighting Fund	2006	10,453
Cumulative Fire Fund	2006	8,267

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."

ERRORS ON CLAIMS

The following deficiencies were noted on claims during the audit period:

1. Sales tax was paid on some invoices
2. Some invoices were not computed correctly
3. A fully itemized invoice or bill was not available for audit

Indiana Code 5-11-10-1.6 states in part:

"(b) As used in this section, 'claim' means a bill or an invoice submitted to a governmental entity for goods or services."

"(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim."

OREGON TOWNSHIP, STARKE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 24, 2007, with Warren Allen, Trustee. The official concurred with our findings.