

B30147

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

EXAMINATION REPORT
OF
DAVIS TOWNSHIP
FOUNTAIN COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
07/20/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Michael G. Bossaer James M. Weber	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Michael D. Brinkman David Talbott	01-01-05 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF DAVIS TOWNSHIP, FOUNTAIN COUNTY, INDIANA

We have examined the financial information presented herein of Davis 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.

STATE BOARD OF ACCOUNTS

May 30, 2007

DAVIS TOWNSHIP, FOUNTAIN 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, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 30,623	\$ 2,814	\$ 8,479	\$ 24,958
Dog	285	32	74	243
Township Assistance	878	6,813	3,688	4,003
Firefighting	24,506	9,154	9,468	24,192
Rainy Day	696	-	-	696
Cemetery	967	160	-	1,127
Levy Excess	-	176	-	176
Fiduciary Fund:				
Payroll Withholdings	76	256	191	141
Totals	<u>\$ 58,031</u>	<u>\$ 19,405</u>	<u>\$ 21,900</u>	<u>\$ 55,536</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 24,958	\$ 2,003	\$ 6,613	\$ 20,348
Dog	243	114	-	357
Township Assistance	4,003	7,521	2,705	8,819
Firefighting	24,192	9,659	9,175	24,676
Rainy Day	696	-	-	696
Cemetery	1,127	-	-	1,127
Levy Excess	176	-	176	-
Fiduciary Fund:				
Payroll Withholdings	141	256	397	-
Totals	<u>\$ 55,536</u>	<u>\$ 19,553</u>	<u>\$ 19,066</u>	<u>\$ 56,023</u>

The accompanying notes are an integral part of the financial information.

DAVIS TOWNSHIP, FOUNTAIN 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.

DAVIS TOWNSHIP, FOUNTAIN COUNTY
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

Financial records presented for audit were not correctly footed or cross footed. Each month since the prior audit, the Trustee has posted and reconciled the All Funds columns in the Financial and Appropriation Record; however, a few times the amounts in the All Funds receipt column were not properly carried in the Other Fund receipt columns.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

DEPOSIT OF PUBLIC FUNDS

Three local tax distribution checks were held more than thirty days before being deposited.

Indiana Code 5-13-6-1(c) states in part: "The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month."

DAVIS TOWNSHIP, FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 30, 2007, with Michael G. Bossaer, former Trustee. The official concurred with our findings.

The contents of this report were discussed on May 31, 2007, with James M. Weber, Trustee; and Merry Weber, Clerk. The officials concurred with our findings.