

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

EXAMINATION REPORT
OF
PERSHING TOWNSHIP
JACKSON COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
10/09/2007

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OFFICIALS

Office

Official

Term

Trustee

Bruce McKinney

01-01-03 to 12-31-10

Chairman of the
Township Board

Doyle Lyon

01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF PERSHING TOWNSHIP, JACKSON COUNTY, INDIANA

We have examined the financial information presented herein of Pershing 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 Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

August 2, 2007

PERSHING TOWNSHIP, JACKSON 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 <u>01-01-05</u>	Receipts <u> </u>	Disbursements <u> </u>	Cash and Investments <u>12-31-05</u>
Governmental Funds:				
Township	\$ 2,792	\$ 28,282	\$ 14,078	\$ 16,996
Dog	906	256	244	918
Township Assistance	7,456	1,390	2,031	6,815
Township Debt	<u>-</u>	<u>13,368</u>	<u>6,137</u>	<u>7,231</u>
Totals	<u>\$ 11,154</u>	<u>\$ 43,296</u>	<u>\$ 22,490</u>	<u>\$ 31,960</u>

	Cash and Investments <u>01-01-06</u>	Receipts <u> </u>	Disbursements <u> </u>	Cash and Investments <u>12-31-06</u>
Governmental Funds:				
Township	\$ 16,996	\$ 20,923	\$ 13,474	\$ 24,445
Dog	918	338	264	992
Township Assistance	6,815	6,043	1,551	11,307
Township Debt	<u>7,231</u>	<u>5,911</u>	<u>6,137</u>	<u>7,005</u>
Totals	<u>\$ 31,960</u>	<u>\$ 33,215</u>	<u>\$ 21,426</u>	<u>\$ 43,749</u>

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

PERSHING TOWNSHIP, JACKSON 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: 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.

PERSHING TOWNSHIP
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	<u>\$ 602,380</u>

PERSHING TOWNSHIP
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

December 31, 2006

Description of Debt	12-31-06 Balance	Due Within One Year
Governmental Activities:		
Notes and loans payable		
Community Center Loan	<u>\$ 11,474</u>	<u>\$ 2,753</u>

PERSHING TOWNSHIP, JACKSON COUNTY
EXAMINATION RESULT AND COMMENT

DISBURSEMENT DOCUMENTATION

Some payments were observed which did not contain adequate supporting documentation such as receipts, bills, invoices, or contracts.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PERSHING TOWNSHIP, JACKSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 2, 2007, with Bruce McKinney, Trustee; and Vivian McKinney, Township Clerk.