

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

EXAMINATION REPORT

OF

CENTER TOWNSHIP

PORTER COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

10/31/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Charles W. Conover	01-01-03 to 12-31-10
Chairman of the Township Board	Charles L. Hazlett Stephen R. Buck Myron C. Knauff	01-01-05 to 12-31-05 01-01-06 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER TOWNSHIP, PORTER COUNTY, INDIANA

We have examined the financial information presented herein of Center (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

September 11, 2007

CENTER TOWNSHIP, PORTER COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUNDS
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	\$ 179,469	\$ 162,806	\$ 185,305	\$ 156,970
Dog	908	599	623	884
Township Assistance	44,753	364,082	347,883	60,952
Firefighting	181,367	834,338	717,600	298,105
Rainy Day	191,949	201,200	130,000	263,149
Cumulative Fire	308,938	133,757	74,225	368,470
Cumulative Fire Saving/Investment	848,813	6,930	-	855,743
Totals	<u>\$ 1,756,197</u>	<u>\$ 1,703,712</u>	<u>\$ 1,455,636</u>	<u>\$ 2,004,273</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 156,970	\$ 178,630	\$ 173,314	\$ 162,286
Dog	884	542	1,426	-
Township Assistance	60,952	304,210	304,607	60,555
Firefighting	298,105	1,033,480	1,045,000	286,585
Rainy Day	263,149	347,600	245,000	365,749
Cumulative Fire	368,470	987,223	1,118,031	237,662
Cumulative Fire Saving/Investment	855,743	232,986	-	1,088,729
Totals	<u>\$ 2,004,273</u>	<u>\$ 3,084,671</u>	<u>\$ 2,887,378</u>	<u>\$ 2,201,566</u>

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

CENTER TOWNSHIP, PORTER 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.

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.

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

CENTER TOWNSHIP, PORTER COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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. Subsequent Events

Fire Station

In 2007, the Township is planning to purchase approximately three acres of land at a cost of \$50,000. The Township will be building a new fire station on the newly acquired land. The anticipated Township cost of the fire station is \$1,100,000. Once the fire station is built the City of Valparaiso will be responsible for the maintenance of the fire station.

Reassessment and Property Taxes

In accordance with state statutes, all counties were required to reassess property values prior to billing taxes in 2007. Significant delays in the reassessment process have resulted in delays in billing taxes in 2007. Currently, tax bills have not been mailed for the spring or fall installment, normally due May and November. Officials anticipate billing the 2006 pay in 2007 property taxes in late November 2007. The taxes will be due and payable in one installment with an anticipated due date of December 15, 2007. Officials anticipate settlement will be in the beginning of March 2008.

CENTER TOWNSHIP, PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 12, 2007, with Charles W. Conover, Trustee; and David Hollenbeck, Center Township Attorney. Our examination disclosed no material items that warrant comment at this time.