

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

EXAMINATION REPORT

OF

CLINTON TOWNSHIP

LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006



**FILED**

10/31/2007



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OFFICIALS

Office

Official

Term

Trustee

Daniel R. Satkoski

01-01-03 to 12-31-10

Chairman of the  
Township Board

Jerard Land

01-01-05 to 12-31-07



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CLINTON TOWNSHIP, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Clinton 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

September 19, 2007

CLINTON TOWNSHIP, LAPORTE 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	\$ 26,866	\$ 13,118	\$ 13,336	\$ 26,648
Dog	421	132	-	553
Township Assistance	17,870	573	250	18,194
Firefighting	36,432	42,941	37,000	42,373
Riverboat	33,055	14,292	-	47,347
Fire Debt	895	-	-	895
	<u>115,539</u>	<u>71,057</u>	<u>50,586</u>	<u>136,010</u>
Totals	<u>\$ 115,539</u>	<u>\$ 71,057</u>	<u>\$ 50,586</u>	<u>\$ 136,010</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 26,648	\$ 14,261	\$ 16,773	\$ 24,137
Dog	553	427	268	712
Township Assistance	18,194	50	180	18,063
Firefighting	42,373	45,268	59,658	27,982
Riverboat	47,347	4,822	653	51,516
Fire Debt	895	-	-	895
Levy Excess	-	1,452	-	1,452
	<u>136,010</u>	<u>66,280</u>	<u>77,532</u>	<u>124,758</u>
Totals	<u>\$ 136,010</u>	<u>\$ 66,280</u>	<u>\$ 77,532</u>	<u>\$ 124,758</u>

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

CLINTON TOWNSHIP, LAPORTE 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.

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. Subsequent Event

Tax Levies and Rates for 2007

Due to delays caused by trending of assessments, the assessed valuations of LaPorte County have not been finalized. Therefore, the 2006 pay 2007 property tax rates and levies, as well as related budget orders for 2007, have not yet been established as of August 20, 2007.

CLINTON TOWNSHIP, LAPORTE COUNTY  
EXAMINATION RESULTS AND COMMENTS

RECEIPT ISSUANCE

The Township does not have a duplicate receipt book, and does not issue receipts for funds collected.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (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)

BOARD MINUTES

A record of minutes was not kept for 2005 meetings of the Township Board. The minutes recorded for 2006 did not list the time and place of the meeting, members in attendance, or a record of all votes taken. Also, the Board did not meet at the beginning of 2005 or 2006 to elect officers.

Indiana Code 5-14-1.5-4(b) states: "As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

The township board shall meet annually on or before the first Tuesday after the first Monday in January at the office of the township trustee. The board shall meet and organize annually on the above date by electing one of its members chairman and one of its members secretary for that year. Any two members shall constitute a quorum. [IC 36-6-6-4]; [IC 36-6-6-7] (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 5)

The board shall meet annually on or before the third Tuesday after the first Monday in January to consider and approve in whole or in part the annual report of the township trustee. [IC 36-6-6-9] (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 5)

Indiana Code 5-13-7-6(a) states in part: "Each local board of finance shall meet annually after the first Monday and on or before the last day of January. At the annual meeting the board of finance shall . . . Elect, from the board's membership . . . a president; . . . and a secretary . . . The officers elected hold office until the officers' successors are elected and qualified."

CLINTON TOWNSHIP, LAPORTE COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

EMPLOYEE EARNINGS

Internal Revenue Service W-2 and 1099 Forms were not issued to the Township Trustee or the Clerk for 2005 or 2006.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

FINANCIAL AND APPROPRIATION RECORD (FORM 1C)

The record of receipts, disbursements, and balances by fund do not agree to the control of all funds.

Form 1C includes a record of receipts, disbursements and balances by fund; a control of all funds and a control of expenditures by appropriation. The left hand page includes columns for date, voucher number, name and explanation of receipt and disbursement items. A detail of the Township, Dog, Building or Remodeling and Fire Equipment Fund is provided, with space provided for other funds, if needed. A fund is any amount of money collected for and to be disbursed for a specific purpose or purposes. Appropriations are the authority to spend money in a fund for specific purposes so appropriated. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

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, than 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)

CLINTON TOWNSHIP, LAPORTE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 19, 2007, with Daniel R. Satkoski, Trustee.  
The official concurred with our findings.