

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

EXAMINATION REPORT

OF

GALENA TOWNSHIP

LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

10/31/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information.....	5
Examination Results and Comments:	
Fire Contract	6
Official Bond	6
Interest on Investments	6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Edward Hynek

01-01-03 to 12-31-10

Chairman of the
Township Board

Wayne Dudeck

01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Galena 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

August 27, 2007

GALENA TOWNSHIP, LAPORTE 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	\$ 23,756	\$ 12,601	\$ 13,220	\$ 23,137
Dog	1,612	1,276	1,332	1,556
Township Assistance	14,520	3,691	534	17,677
Firefighting	22,797	29,567	31,760	20,604
Park and Recreation	96,757	-	-	96,757
Levy Excess	-	1,094	-	1,094
River Boat	-	9,089	-	9,089
Fiduciary Fund:				
Payroll Withholdings	-	478	478	-
Totals	<u>\$ 159,442</u>	<u>\$ 57,796</u>	<u>\$ 47,324</u>	<u>\$ 169,914</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 23,137	\$ 11,241	\$ 14,020	\$ 20,358
Dog	1,556	-	1,344	212
Township Assistance	17,677	1,156	525	18,308
Firefighting	20,604	13,608	32,281	1,931
Park and Recreation	96,757	-	-	96,757
Levy Excess	1,094	1,858	-	2,952
River Boat	9,089	4,822	-	13,911
Fiduciary Fund:				
Payroll Withholdings	-	501	501	-
Totals	<u>\$ 169,914</u>	<u>\$ 33,186</u>	<u>\$ 48,671</u>	<u>\$ 154,429</u>

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

GALENA 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. 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.

Note 6. Subsequent Event

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.

GALENA TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

FIRE CONTRACT

Payments of \$31,000 were made in 2005 and 2006 totaling \$62,000, to the Kankakee Township Volunteer Fire Department for fire protection, without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OFFICIAL BOND

The Township Trustee's official bond was not filed in the Office of the County Recorder.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

INTEREST ON INVESTMENTS

Interest earned on investments, for the years 2005 and 2006 were automatically added to the investment and not recorded in the records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

GALENA TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2007, with Edward Hynek, Trustee.