

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

EXAMINATION REPORT

OF

LINCOLN TOWNSHIP

LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006



**FILED**

10/31/2007



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OFFICIALS

Office

Official

Term

Trustee

John McDaniel

01-01-03 to 12-31-10

Chairman of the  
Township Board

Mark Emerick

01-01-05 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Lincoln 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 18, 2007

LINCOLN 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	\$ 29,126	\$ 26,134	\$ 25,141	\$ 30,119
Dog	1,243	808	943	1,108
Township Assistance	15,373	1,471	3,269	13,575
Firefighting	42,895	83,358	81,697	44,556
Fire Debt	24,488	59,343	53,972	29,859
Cumulative Fire	15,525	16,537	-	32,062
Totals	<u>\$ 128,650</u>	<u>\$ 187,651</u>	<u>\$ 165,022</u>	<u>\$ 151,279</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 30,119	\$ 34,605	\$ 27,806	\$ 36,918
Dog	1,108	1,112	949	1,271
Township Assistance	13,575	1,155	3,604	11,126
Firefighting	44,556	85,602	86,526	43,632
Fire Debt	29,859	54,863	57,052	27,670
Cumulative Fire	32,062	15,912	858	47,116
Levy Excess	-	8,528	-	8,528
Totals	<u>\$ 151,279</u>	<u>\$ 201,777</u>	<u>\$ 176,795</u>	<u>\$ 176,261</u>

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

LINCOLN 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.

LINCOLN 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 for Townships, Chapter 13)

OFFICIAL BOND

The Trustee has obtained official bonds for the examination period. However, the bonds were not filed in the County Recorder's Office.

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 . . ."

LINCOLN TOWNSHIP, LAPORTE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2007, with John McDaniel, Trustee. The official concurred with our findings.