

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

EXAMINATION REPORT
OF
HENDRICKS TOWNSHIP
SHELBY COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
12/28/2007

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OFFICIALS

Office

Official

Term

Trustee

Wray Emerick

01-01-03 to 12-31-10

Chairman of the
Township Board

John Williams
Jerry Parmer

01-01-05 to 12-31-06
01-01-07 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF HENDRICKS TOWNSHIP, SHELBY COUNTY, INDIANA

We have examined the financial information presented herein of Hendricks 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

November 14, 2007

HENDRICKS TOWNSHIP, SHELBY 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	\$ 13,765	\$ 21,234	\$ 21,711	\$ 13,288
Dog	1,050	822	750	1,122
Township Assistance	12,043	160	500	11,703
Firefighting	1,909	8,634	7,350	3,193
Park and Recreation	2,850	178	-	3,028
	<u>31,617</u>	<u>31,028</u>	<u>30,311</u>	<u>32,334</u>
Totals	<u>\$ 31,617</u>	<u>\$ 31,028</u>	<u>\$ 30,311</u>	<u>\$ 32,334</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 13,288	\$ 20,049	\$ 22,526	\$ 10,811
Dog	1,122	806	1,928	-
Township Assistance	11,703	161	1,588	10,276
Firefighting	3,193	7,315	7,720	2,788
Park and Recreation	3,028	108	-	3,136
	<u>32,334</u>	<u>28,439</u>	<u>33,762</u>	<u>27,011</u>
Totals	<u>\$ 32,334</u>	<u>\$ 28,439</u>	<u>\$ 33,762</u>	<u>\$ 27,011</u>

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

HENDRICKS TOWNSHIP, SHELBY 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

Normally, 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 may 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.

HENDRICKS TOWNSHIP, SHELBY COUNTY
EXAMINATION RESULTS AND COMMENTS

PERSONAL TELEPHONE EXPENSES

The Township paid 100% of a separate phone line that was listed in the Trustee's personal name instead of Hendricks Township Trustee's Office.

The annual appropriations of a township for the expenses of renting an office and telephone expenses must, as nearly as is possible, be equal to the actual cost of those items. If the township trustee uses a part of his residence as his office, the township board shall appropriate a reasonable sum for that office space.

- (1) If a separate township office exists and has a telephone(s) listing in the telephone directory in the name of the township, 100% of the proper monthly telephone service billing and long distance township business calls may be paid.
- (2) If the township office is in the home with a separate phone line for township business and that phone line is listed separately in the directory, 100% of the proper monthly telephone service billing and township long distance business calls may be paid.
- (3) If the township office is in the home, and the telephone (only phone) is in the township name in the phone directory, the additional cost of that phone being listed as a township phone is reimbursable. Up to 50% of the base monthly service billing may also be reimbursed if approved by the township board in accordance with IC 36-6-8-3. Additionally, 100% of all documented long distance township business calls may be reimbursed.

(Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

The Trustee deposited \$397.38 on October 3, 2007, into the Township depository account for personal telephone expenses paid by the Township. The \$397.38 includes one-half of telephone base telephone billings and 100% of all undocumented long distance calls for the period of October 13, 2005, the date of prior notification of the requirements, to December 31, 2006. Additionally, the Trustee has changed the phone listing into the Township's name.

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the Township had money due from the Township, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

HENDRICKS TOWNSHIP, SHELBY COUNTY
EXIT CONFERENCE

The contents of this report were discussed via telephone on November 14, 2007, with Linda Emerick, Township Clerk. The official concurred with our findings.