

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

EXAMINATION REPORT

OF

MIAMI TOWNSHIP

CASS COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**

04/30/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Kevin E. Lopper Kyle Anderson	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Steven L. Troxell	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MIAMI TOWNSHIP, CASS COUNTY, INDIANA

We have examined the financial information presented herein of Miami Township (Township), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

January 24, 2008

MIAMI TOWNSHIP, CASS COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ (969)	\$ 13,932	\$ 11,991	\$ 972
Dog	328	107	150	285
Township Assistance	4,207	2,210	682	5,735
Firefighting	3,379	33,863	25,782	11,460
Rainy Day	599	-	-	599
Levy Excess	-	188	-	188
Fire Equipment Debt	-	12,182	11,462	720
Totals	<u>\$ 7,544</u>	<u>\$ 62,482</u>	<u>\$ 50,067</u>	<u>\$ 19,959</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 972	\$ 10,113	\$ 11,369	\$ (284)
Dog	285	-	-	285
Township Assistance	5,735	2,102	1,274	6,563
Firefighting	11,460	88,838	100,907	(609)
Rainy Day	599	-	-	599
Levy Excess	188	151	-	339
Fire Equipment Debt	720	10,451	11,585	(414)
Totals	<u>\$ 19,959</u>	<u>\$ 111,655</u>	<u>\$ 125,135</u>	<u>\$ 6,479</u>

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

MIAMI TOWNSHIP, CASS 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. 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. Short-Term Debt

The Township entered into an emergency loan for fire protection purposes. The principal balance at December 31, 2007, is \$74,792, interest due is \$4,802. The loan is to be paid in two installments, the first payment is due June 30, 2008, and the final payment is due December 31, 2008.

MIAMI TOWNSHIP, CASS COUNTY  
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Emergency Fire Loan	2006	<u>\$ 462</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article.

OVERDRAWN FUND BALANCES

The Township Fund, Firefighting Fund and Fire Equipment Debt Fund were overdrawn in 2007.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PENALTIES, INTEREST AND OTHER CHARGES

Penalties and interest totaling \$18.60 were paid to the Internal Revenue Service on December 31, 2007, for the period 2004.

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)

MIAMI TOWNSHIP, CASS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 24, 2008, with Kyle Anderson, Trustee. The official concurred with our findings.