

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

EXAMINATION REPORT
OF
PIPE CREEK TOWNSHIP
MIAMI COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
05/13/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Patricia C. Wade	01-01-06 to 12-31-10
Chairman of the Township Board	John McCurtain	01-01-06 to 12-31-08



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 PIPE CREEK TOWNSHIP, MIAMI COUNTY, INDIANA

We have examined the financial information presented herein of Pipe Creek 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

February 20, 2008

PIPE CREEK TOWNSHIP, MIAMI 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	\$ 25,781	\$ 20,608	\$ 16,313	\$ 30,076
Dog	453	125	163	415
Township Assistance	22,194	25,912	20,463	27,643
Firefighting	28,036	36,600	23,969	40,667
Levy Excess	1,483	-	660	823
Totals	<u>\$ 77,947</u>	<u>\$ 83,245</u>	<u>\$ 61,568</u>	<u>\$ 99,624</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 30,076	\$ 8,707	\$ 18,501	\$ 20,282
Dog	415	-	-	415
Township Assistance	27,643	13,780	18,877	22,546
Firefighting	40,667	13,766	25,144	29,289
Levy Excess	823	-	-	823
Totals	<u>\$ 99,624</u>	<u>\$ 36,253</u>	<u>\$ 62,522</u>	<u>\$ 73,355</u>

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

PIPE CREEK TOWNSHIP, MIAMI 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.

PIPE CREEK TOWNSHIP, MIAMI COUNTY
EXAMINATION RESULTS AND COMMENTS

ADVANCE PAYMENTS

Dates of transactions indicate that salaries were paid to individuals prior to the receipt of services.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Indiana Code 5-7-3-1 states: "(a) Public officers may not draw or receive their salaries in advance."

APPROVED DEPOSITORIES

The Trustee is using a depository that is not on the state treasurer's list of approved depositories.

A financial institution may at any time file an application to become a depository and receive public funds of the state on deposit. Applications for the State Board of Finance must be filed with the Treasurer of State. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 8)

PIPE CREEK TOWNSHIP, MIAMI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 20, 2008, with Patricia C. Wade, Trustee. The official concurred with our findings.