

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

EXAMINATION REPORT

OF

EAGLE CREEK TOWNSHIP

LAKE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED

08/29/2008

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Financial Information	5
Examination Results and Comments:	
Contract	6
Bank Reconciliations	6
Official Bond	6
Certified Report.....	6-7
Prescribed Forms	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James Morrow Rose Morrow	01-01-03 to 12-31-07 01-01-08 to 12-31-10
Chairman of the Township Board	Bruce McNeil	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 EAGLE CREEK TOWNSHIP, LAKE COUNTY, INDIANA

We have examined the financial information presented herein of Eagle 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

May 14, 2007

EAGLE CREEK TOWNSHIP, LAKE COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUNDS
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	\$ 55,184	\$ 29,900	\$ 38,372	\$ 46,712
Dog	295	59	40	314
Township Assistance	19,051	21,241	17,089	23,203
Firefighting	57,538	76,910	93,259	41,189
Ambulance	760	-	-	760
Cumulative Fire	30,764	13,173	18,610	25,327
Totals	<u>\$ 163,592</u>	<u>\$ 141,283</u>	<u>\$ 167,370</u>	<u>\$ 137,505</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 46,712	\$ 17,571	\$ 30,676	\$ 33,607
Dog	314	-	-	314
Township Assistance	23,203	10,756	18,805	15,154
Firefighting	41,189	40,182	90,929	(9,558)
Ambulance	760	-	-	760
Cumulative Fire	25,327	6,646	19,976	11,997
Totals	<u>\$ 137,505</u>	<u>\$ 75,155</u>	<u>\$ 160,386</u>	<u>\$ 52,274</u>

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

EAGLE CREEK TOWNSHIP, LAKE 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

Final distribution of the 2006 pay 2007 taxes was received in March 2008.

EAGLE CREEK TOWNSHIP, LAKE COUNTY
EXAMINATION RESULTS AND COMMENTS

CONTRACT

Eagle Township paid Tri-Creek Ambulance Services \$74,259 in 2006 and \$71,929 in 2007 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)

BANK RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for examination.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OFFICIAL BOND

An official bond for James Morrow, former Trustee, or Rose Morrow, current Trustee, was not filed with 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 . . ."

CERTIFIED REPORT

The Township did not file Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R) with the State Board of Accounts.

EAGLE CREEK TOWNSHIP, LAKE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Each year during the month of January each township trustee must complete a Certified Report of Names, Addresses, Duties and Compensation of Public Employees Form 100R and send the same properly certified to the State Examiner of the State Board of Accounts. List all officers and employees and business address of the township as of the month of January. Form 100R may be procured from your printer or supply firm. Space is provided for the name of the officer or employee, the address of each, the duties of each, and the compensation. List the compensation per month, week, day or hour. You will need to use more than one form if there are more than 65 officers and employees. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

PRESCRIBED FORMS

The following forms were not in use for the administration of Township Assistance:

Township Form, TA-1 Application for Township Assistance
Township Form, TA-1A Notice of Township Assistance Action
Township Form, TA-1B Application for Additional or Continuing Township Assistance
Township Form, TA-7 Township Assistance Statistical Report

Prescribed forms to be used by the township trustee in the administration of township assistance are: TA-1, TA-1A, TA-1B, TA-2, and TA-7. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 6)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

EAGLE CREEK TOWNSHIP, LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 26, 2008, with James Morrow, former Trustee. The official concurred with our findings.