

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

EXAMINATION REPORT  
OF  
ELKHART TOWNSHIP  
ELKHART COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
11/14/2008



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5
Supplementary Information: Schedule of Capital Assets.....	6
Examination Result and Comment: Advance Payments.....	7
Exit Conference.....	8

OFFICIALS

Office

Official

Term

Trustee

Charles C. Cheek

01-01-03 to 12-31-10

Chairman of the  
Township Board

Larry Blackport

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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF ELKHART TOWNSHIP, ELKHART COUNTY, INDIANA

We have examined the financial information presented herein of Elkhart 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.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 2, 2008

ELKHART TOWNSHIP, ELKHART COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY 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	\$ 96,751	\$ 239,462	\$ 91,855	\$ 244,358
Dog	232	126	358	-
Township Assistance	230,610	87,936	78,073	240,473
Firefighting	956,689	195,462	513,150	639,001
Park and Recreation	1,251	11,064	10,051	2,264
Levy Excess	9,237	2,494	9,237	2,494
Cumulative Fire	338,796	94,001	486	432,311
Fiduciary Fund:				
Payroll Withholdings	-	16,741	16,741	-
Totals	<u>\$ 1,633,566</u>	<u>\$ 647,286</u>	<u>\$ 719,951</u>	<u>\$ 1,560,901</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 244,358	\$ 280,297	\$ 129,018	\$ 395,637
Township Assistance	240,473	59,765	92,334	207,904
Firefighting	639,001	213,759	265,198	587,562
Park and Recreation	2,264	9,939	10,000	2,203
Rainy Day	-	1,376	-	1,376
Levy Excess	2,494	-	2,494	-
Cumulative Fire	432,311	90,935	-	523,246
Fiduciary Fund:				
Payroll Withholdings	-	24,041	24,041	-
Totals	<u>\$ 1,560,901</u>	<u>\$ 680,112</u>	<u>\$ 523,085</u>	<u>\$ 1,717,928</u>

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

ELKHART TOWNSHIP, ELKHART 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. 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.

ELKHART TOWNSHIP, ELKHART COUNTY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 464,600
Machinery and equipment	<u>1,970,550</u>
Total governmental activities, capital assets not being depreciated - fire department	<u>\$ 2,435,150</u>

ELKHART TOWNSHIP, ELKHART COUNTY  
EXAMINATION RESULT AND COMMENT

ADVANCE PAYMENTS

The Deputy Trustee and the Township Assistance Investigator were paid during the first two weeks of the month for the entire month.

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)

ELKHART TOWNSHIP, ELKHART COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 2, 2008, with Charles C. Cheek, Trustee. The official concurred with our finding.