

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

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



FILED

11/24/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Clifford Hatton	01-01-03 to 12-31-10
Chairman of the Township Board	Earl Holmes Michael Beatty	01-01-06 to 12-31-06 01-01-07 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 YORK TOWNSHIP, SWITZERLAND COUNTY, INDIANA

We have examined the financial information presented herein of York 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

September 30, 2008

YORK TOWNSHIP, SWITZERLAND 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	\$ 7,628	\$ 30,134	\$ 24,902	\$ 12,860
Dog	6	24	30	-
Township Assistance	10,645	12,330	7,011	15,964
Firefighting	254	4,845	5,000	99
Riverboat	24,139	24,988	13,099	36,028
Rainy Day	1,773	-	-	1,773
Totals	<u>\$ 44,445</u>	<u>\$ 72,321</u>	<u>\$ 50,042</u>	<u>\$ 66,724</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 12,860	\$ 28,383	\$ 27,103	\$ 14,140
Township Assistance	15,964	10,420	6,494	19,890
Firefighting	99	13,107	7,500	5,706
Riverboat	36,028	23,047	14,890	44,185
Rainy Day	1,773	1,185	1,773	1,185
Totals	<u>\$ 66,724</u>	<u>\$ 76,142</u>	<u>\$ 57,760</u>	<u>\$ 85,106</u>

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

YORK TOWNSHIP, SWITZERLAND 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.

YORK TOWNSHIP, SWITZERLAND COUNTY
EXAMINATION RESULTS AND COMMENTS

TOWNSHIP ASSISTANCE PROCEDURES

We found the following deficiencies regarding the processing of Township Assistance:

1. No written Township Assistance standards were presented for examination.

Indiana Code 12-20-5.5-1 states in part:

"(a) The township trustee shall process all applications for the township assistance according to uniform written standards. . . .

(b) The township's standards for the issuance of township assistance and the processing of applications must be: . . .

- (2) proposed by the township trustee, adopted by the township board, and filed with the board of county commissioners; . . .
- (3) reviewed and updated annually to reflect changes in the cost of basic necessities in the township and changes in the law;
- (4) published in a single written document, including addenda attached to the document; and
- (5) Posted in a place prominently visible to the public in all offices of the township trustee where township assistance applications are taken or processed."

A similar comment was made in the prior Report B29607.

2. Investigations to determine if applicants qualified to receive Township Assistance were not documented for 100% of the Applications for Township Assistance (Form TA-1) we examined.

Indiana Code 12-20-6-9 states in part:

"If an application for township assistance is made to the township trustee . . . the township trustee . . . shall carefully investigate the circumstances of the applicant and each member of the applicant's household . . ."

3. There was an instance where Township Assistance funds were used to pay the cost of an applicant's shelter with a relative who was the applicant's landlord. No documentation was on file showing either the landlord had a mortgage on the housing or that the housing had been previously rented by the relative to a different tenant at a similar rate for at least six months.

YORK TOWNSHIP, SWITZERLAND COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 12-20-6-10 states in part:

"(a) As used in this section, 'relative' includes only the parent, stepparent, child, stepchild, sibling, stepsibling, grandparent, stepgrandparent, grandchild, or step-grandchild of a township assistance applicant. . . .

(c) A township trustee may not use township assistance funds to pay the cost of an applicant's shelter with a relative who is the applicant's landlord if the applicant lives in:

- (1) the same household as the relative; or
- (2) housing separate from the relative and either:
 - (A) the housing is unencumbered by mortgage; or
 - (B) the housing has not been previously rented by the relative to a different tenant at reasonable market rates for at least six (6) months."

ASSESSING EXPENSES

We found two instances totaling \$517 where mileage was paid from Township funds for assessment of property.

No part of the expense of assessing is to be paid from township funds. (Township Bulletin and Uniform Compliance Guidelines, February 2006, Volume 272)

REPORTING OF COMPENSATION

Salaries paid to Township Board members were not reported on Internal Revenue Service Form W-2 (Wage and Tax Statement).

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

YORK TOWNSHIP, SWITZERLAND COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 30, 2008, with Clifford Hatton, Trustee.