

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

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



FILED

11/24/2008

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OFFICIALS

Office

Official

Term

Trustee

Patrick Stack

01-01-03 to 12-31-10

Chairman of the
Township Board

Jack M. Buckland
Patricia A. Ravinet

01-01-06 to 12-31-07
01-01-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BOSTON TOWNSHIP, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of Boston 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 Long-Term Debt, 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

October 1, 2008

BOSTON TOWNSHIP, WAYNE 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 | \$ 28,620 | \$ 23,628 | \$ 9,811 | \$ 42,437 |
| Dog | 373 | 190 | 73 | 490 |
| Township Assistance | 29,557 | 3,414 | 1,008 | 31,963 |
| Firefighting | 24,663 | 36,272 | 35,246 | 25,689 |
| Rainy Day | 1,600 | - | - | 1,600 |
| Levy Excess | 757 | 592 | - | 1,349 |
| Fire Equipment Debt | 31,291 | 18,547 | 40,084 | 9,754 |
| Cumulative Fire | 11,312 | 30,560 | 67 | 41,805 |
| Totals | <u>\$ 128,173</u> | <u>\$ 113,203</u> | <u>\$ 86,289</u> | <u>\$ 155,087</u> |

| | Cash and Investments 01-01-07 | Receipts | Disbursements | Cash and Investments 12-31-07 |
|----------------------|-------------------------------------|------------------|------------------|-------------------------------------|
| Governmental Funds: | | | | |
| Township | \$ 42,437 | \$ 22,325 | \$ 10,194 | \$ 54,568 |
| Dog | 490 | - | 490 | - |
| Township Assistance | 31,963 | 3,886 | 1,163 | 34,686 |
| Firefighting | 25,689 | 36,994 | 18,000 | 44,683 |
| Park and Recreation | 1,600 | - | - | 1,600 |
| Levy Excess | 1,349 | - | - | 1,349 |
| Fire Equipment Debt | 9,754 | - | 9,967 | (213) |
| Cumulative Fire | 41,805 | 8,973 | - | 50,778 |
| Fiduciary Fund: | | | | |
| Payroll Withholdings | - | 391 | 391 | - |
| Totals | <u>\$ 155,087</u> | <u>\$ 72,569</u> | <u>\$ 40,205</u> | <u>\$ 187,451</u> |

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

BOSTON TOWNSHIP, WAYNE 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.

BOSTON TOWNSHIP, WAYNE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Township has entered into the following debt:

| Description of Debt | Ending Principal Balance | Principal and Interest Due Within One Year |
|------------------------------------|--------------------------------|---|
| Governmental Activities: | | |
| Loans payable | | |
| Fire Truck | \$ 62,416 | \$ 29,900 |
| Grass Rig | 40,000 | 7,660 |
| Total governmental activities debt | \$ 102,416 | \$ 37,560 |

BOSTON TOWNSHIP, WAYNE COUNTY
EXAMINATION RESULTS AND COMMENTS

FUND SOURCES AND USES

Commercial Vehicle Excise receipts were incorrectly recorded in the Dog Fund in 2006. The Dog Fund was subsequently closed into the Township Fund in 2007.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OVERDRAWN FUND BALANCE

The Fire Equipment Debt Fund was overdrawn in 2007.

The balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PAYROLL DEDUCTIONS

No payroll deductions were taken for any employees in 2006 and payroll deductions were not made for the Clerk or any of the Board Members in 2007.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

BOSTON TOWNSHIP, WAYNE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 1, 2008, with Patrick Stack, Trustee. The official concurred with our findings.