

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

EXAMINATION REPORT

OF

OTTER CREEK TOWNSHIP

VIGO COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
12/12/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Betty Easthom Robert D. Salmon	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Larry Poole Betty Easthom John Meyers	01-01-06 to 12-31-06 01-01-07 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 OTTER CREEK TOWNSHIP, VIGO COUNTY, INDIANA

We have examined the financial information presented herein of Otter 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.

Except as discussed in the third and fourth paragraphs, 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 the prior examination, the condition of the Township's records did not permit the application of standard examination procedures to enable the examiners to render an opinion that financial information was fairly stated.

In our opinion, except that the lack of reliable beginning cash balances referred to in the preceding paragraph results in incomplete presentation, 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

October 23, 2008

OTTER CREEK TOWNSHIP, VIGO 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	\$ 40,000	\$ 78,371	\$ 52,084	\$ 66,287
Dog	465	405	165	705
Township Assistance	12,965	20,495	20,967	12,493
Firefighting	40,820	158,930	105,356	94,394
Cumulative Fire	<u>196,700</u>	<u>143,599</u>	<u>176,899</u>	<u>163,400</u>
Totals	<u>\$ 290,950</u>	<u>\$ 401,800</u>	<u>\$ 355,471</u>	<u>\$ 337,279</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 66,287	\$ 74,131	\$ 58,500	\$ 81,918
Dog	705	-	-	705
Township Assistance	12,493	22,010	29,795	4,708
Firefighting	94,394	104,178	115,213	83,359
Rainy Day	-	17,100	9,000	8,100
Levy Excess	-	615	-	615
Cumulative Fire	<u>163,400</u>	<u>99,199</u>	<u>-</u>	<u>262,599</u>
Totals	<u>\$ 337,279</u>	<u>\$ 317,233</u>	<u>\$ 212,508</u>	<u>\$ 442,004</u>

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

OTTER CREEK TOWNSHIP, VIGO 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, 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 received 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.

OTTER CREEK TOWNSHIP, VIGO COUNTY
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS

The following prescribed forms were not always in use: General Form 99A, Employee Service Record; General Form 99B, Employee Earnings Record; General Form 369, Capital Asset Ledger.

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)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Township	2006	\$ 5,200
Cumulative Fire	2006	87,269
Township	2007	2,000

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OTTER CREEK TOWNSHIP, VIGO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 23, 2008, with Robert D. Salmon, Trustee.
The official concurred with our findings.