

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

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



**FILED**  
12/22/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	William Michael Carolyn S. Hubbell	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Nolan Wilson	01-01-06 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WRIGHT TOWNSHIP, GREENE COUNTY, INDIANA

We have examined the financial information presented herein of Wright 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 information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

November 26, 2008

WRIGHT TOWNSHIP, GREENE 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	\$ 21,192	\$ 62,708	\$ 44,425	\$ 39,475
Dog	350	310	110	550
Township Assistance	(19,771)	111,418	170,967	(79,320)
Firefighting	56,160	38,966	24,295	70,831
Park and Recreation	7,858	-	300	7,558
GCTA	-	11,930	9,513	2,417
Levy Excess	-	4,595	-	4,595
Fire Equipment	(3,898)	8,534	4,616	20
Cumulative Fire	24,521	9,409	326	33,604
Totals	<u>\$ 86,412</u>	<u>\$ 247,870</u>	<u>\$ 254,552</u>	<u>\$ 79,730</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 39,475	\$ 28,018	\$ 59,323	\$ 8,170
Dog	550	-	550	-
Township Assistance	(79,320)	192,519	84,826	28,373
Firefighting	70,831	36,013	44,207	62,637
Park and Recreation	7,558	3,872	900	10,530
GCTA	2,417	2	2,419	-
Levy Excess	4,595	322	4,595	322
Fire Equipment	20	-	20	-
Rainy Day	-	389	-	389
Cumulative Fire	33,604	37,491	30,073	41,022
Totals	<u>\$ 79,730</u>	<u>\$ 298,626</u>	<u>\$ 226,913</u>	<u>\$ 151,443</u>

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

WRIGHT TOWNSHIP, GREENE 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.

WRIGHT TOWNSHIP, GREENE COUNTY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

WRIGHT TOWNSHIP  
 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:		
Notes and loans payable	\$ 78,683	\$ 43,589

WRIGHT TOWNSHIP, GREENE COUNTY  
EXAMINATION RESULTS AND COMMENTS

DISBURSEMENT DOCUMENTATION

Several payments during 2006 did not contain adequate invoices.

Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (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>Year</u>	<u>Excess Amount Expended</u>
Township Assistance	2006	<u>\$ 137,137</u>

A similar comment appeared in the prior report.

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."

PENALTIES AND INTEREST

Penalties and interest totaling \$119.62 were paid to the Internal Revenue Service on August 20, 2007, for the period 2006.

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)

WRIGHT TOWNSHIP, GREENE COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

DUTIES OF TOWNSHIP TRUSTEE

All of the applicants reviewed during the test of township assistance did not have evidence that the Trustee investigated the circumstances of the applicant and each member of the applicant's household. A similar comment appeared in the prior report.

Indiana Code 12-20-6-9 states:

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

SUPPORT BY RELATIVES

All of the township assistance applications reviewed received aid more than twice and there was no evidence that the Trustee contacted relatives before granting aid a second time. A similar comment appeared in the prior report.

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

"If an applicant who applies for township assistance or a member of the applicant's household has a relative living in the township who is able to assist the applicant or member of the applicant's household, the township trustee shall, as administrator of township assistance and before granting aid a second time, ask the relative to help the applicant or member of the applicant's household, either with material relief or by furnishing employment."

WORKFARE AS CONDITION FOR RECEIVING TOWNSHIP ASSISTANCE

No information presented for examination indicated that the Township Trustee requested that any township assistance recipient perform work within the county or an adjoining township in any other county for any nonprofit agency or governmental unit. A similar comment appeared in the prior report.

Indiana Code 12-20-11-1(a) states:

"The township trustee shall obligate any adult member of a recipient household to do any work needed to be done within the county or an adjoining township in any other county for any nonprofit agency or governmental unit . . ."

OVERDRAWN CASH BALANCE

The cash balance of the Township Assistance Fund was overdrawn at December 31, 2006, by \$79,320. A similar comment appeared in the prior report.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WRIGHT TOWNSHIP, GREENE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 26, 2008, with Carolyn S. Hubbell, Trustee. The official concurred with our findings.