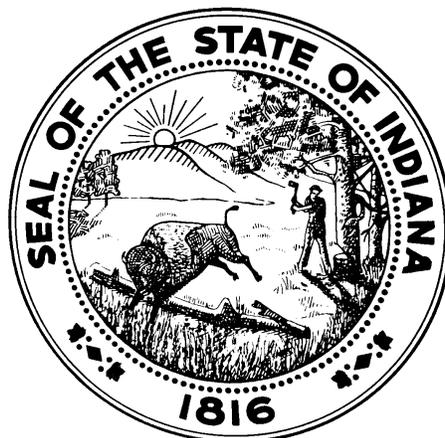


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

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



FILED
01/16/2009

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OFFICIALS

Office

Official

Term

Trustee

Dan L. Broyer

01-01-03 to 12-31-10

Chairman of the
Township Board

Janice Enk
Tom Carter

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



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JACKSON TOWNSHIP, MORGAN COUNTY, INDIANA

We have examined the financial information presented herein of Jackson 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. The schedule 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

November 10, 2008

JACKSON TOWNSHIP, MORGAN 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	\$ 61,964	\$ 52,267	\$ 68,362	\$ 45,869
Dog	782	615	502	895
Township Assistance	26,005	31,403	9,686	47,722
Firefighting	(11,827)	96,994	82,796	2,371
Rainy Day	11,000	-	10,000	1,000
Levy Excess	-	412	-	412
Emergency Fire Loan	-	48,563	44,266	4,297
Fire Building	-	350,450	328,303	22,147
Cumulative Fire	12,015	44,067	38,301	17,781
Fiduciary Fund:				
Payroll Withholdings	1,293	4,854	4,886	1,261
Totals	<u>\$ 101,232</u>	<u>\$ 629,625</u>	<u>\$ 587,102</u>	<u>\$ 143,755</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 45,869	\$ 92,782	\$ 71,711	\$ 66,940
Dog	895	-	895	-
Township Assistance	47,722	11,708	31,193	28,237
Firefighting	2,371	94,241	77,160	19,452
Rainy Day	1,000	20,000	-	21,000
Levy Excess	412	-	-	412
Emergency Fire Loan	4,297	53,132	53,392	4,037
Fire Building	22,147	113,326	91,904	43,569
Cumulative Fire	17,781	22,594	39,955	420
Fiduciary Fund:				
Payroll Withholdings	1,261	4,942	5,080	1,123
Totals	<u>\$ 143,755</u>	<u>\$ 412,725</u>	<u>\$ 371,290</u>	<u>\$ 185,190</u>

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

JACKSON TOWNSHIP, MORGAN 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 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.

JACKSON 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	\$ 350,760	\$ 116,360

JACKSON TOWNSHIP, MORGAN COUNTY
EXAMINATION RESULTS AND COMMENTS

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>
Cumulative Fire	2006	\$ 11,113
Cumulative Fire	2007	12,525

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."

CEMETERY CARE CONTRACTS

Payments totaling \$4,900 and \$5,300 were made for cemetery mowing and maintenance in 2006 and 2007, respectively, without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

PAYROLL DEDUCTIONS

A payment of \$500 was made to the Township Trustee on December 21, 2007, for wages. There were no payroll deductions for taxes on this payment nor was the amount reported on the 2007 W-2.

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 Cities and Towns, Chapter 7)

JACKSON TOWNSHIP, MORGAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 10, 2008, with Dan L. Broyer, Trustee.