

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

EXAMINATION REPORT

OF

MADISON TOWNSHIP

PUTNAM COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**

01/20/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Jeffrey W. Alexander	01-01-03 to 12-31-10
Chairman of the Township Board	Jennifer Vermillion Jerry Alexander	01-01-06 to 12-31-06 01-01-07 to 12-31-08



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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MADISON TOWNSHIP, PUTNAM COUNTY, INDIANA

We have examined the financial information presented herein of Madison 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

November 17, 2008

MADISON TOWNSHIP, PUTNAM 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	\$ 16,586	\$ 20,433	\$ 23,260	\$ 13,759
Dog	1,115	758	1,486	387
Township Assistance	5,304	109	1,835	3,578
Firefighting	9	29,110	24,000	5,119
Fire Equipment Debt	6,476	34,816	26,382	14,910
Cumulative Fire	15,555	12,783	217	28,121
Rainy Day	2,457	-	-	2,457
Fiduciary Fund:				
Payroll Withholdings	660	-	-	660
Totals	<u>\$ 48,162</u>	<u>\$ 98,009</u>	<u>\$ 77,180</u>	<u>\$ 68,991</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 13,759	\$ 15,016	\$ 23,243	\$ 5,532
Dog	387	-	387	-
Township Assistance	3,578	-	2,257	1,321
Firefighting	5,119	19,554	24,531	142
Fire Equipment Debt	14,910	38,656	39,573	13,993
Cumulative Fire	28,121	21,574	17,599	32,096
Rainy Day	2,457	-	-	2,457
Fiduciary Fund:				
Payroll Withholdings	660	-	-	660
Totals	<u>\$ 68,991</u>	<u>\$ 94,800</u>	<u>\$ 107,590</u>	<u>\$ 56,201</u>

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

MADISON TOWNSHIP, PUTNAM 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.

Note 6. Long-Term Debt

The Township has entered into a loan for a fire truck. The outstanding principal at December 31, 2008, was \$62,059.

MADISON TOWNSHIP, PUTNAM 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
Loan (Fire Truck)	\$ 62,059	\$ 26,382

MADISON TOWNSHIP, PUTNAM COUNTY  
EXAMINATION RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for examination.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

MADISON TOWNSHIP, PUTNAM COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2008, with Jeffrey W. Alexander, Trustee. The official concurred with our finding.