

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

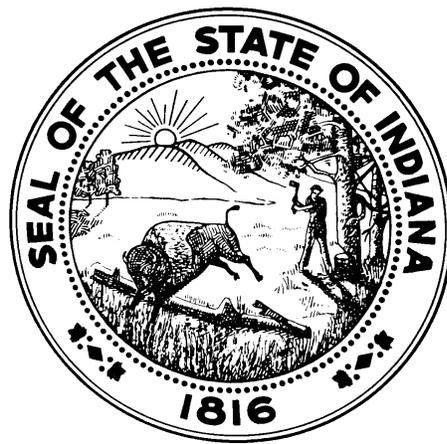
EXAMINATION REPORT

OF

FRANKLIN TOWNSHIP

JOHNSON COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED

01/22/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Cecelia Campbell	01-01-06 to 12-31-08
Chairman of the Township Board	Ed Vandiver	01-01-06 to 12-31-06
	Thomas A. Wood	01-01-07 to 12-31-07
	Alice J. Fleener	01-01-08 to 09-01-08
	Brian E. Resinger	09-02-08 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FRANKLIN TOWNSHIP, JOHNSON COUNTY, INDIANA

We attempted to examine the financial information presented herein of Franklin 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

Substantially all corroborating evidence in support of the disbursements presented in the financial information was damaged by a flood in June 2008. The records that remain are not sufficient to permit the application of examination procedures that would be adequate for us to express an opinion on the accompanying financial information.

Since the Township was not able to provide evidence or corroborating evidence in support of the accompanying financial information and we are not able to apply other examination procedures to satisfy ourselves as to whether the financial information is presented in accordance with criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts, the scope of our work was not sufficient to enable us to express and we do not express, an opinion on the financial information.

STATE BOARD OF ACCOUNTS

December 18, 2008

FRANKLIN TOWNSHIP, JOHNSON 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	\$ 148,608	\$ 51,253	\$ 36,375	\$ 163,486
Dog	522	147	669	-
Township Assistance	162,913	159,040	161,574	160,379
Firefighting	163,459	45,145	40,000	168,604
Rainy Day Fund	6,659	-	-	6,659
Totals	<u>\$ 482,161</u>	<u>\$ 255,585</u>	<u>\$ 238,618</u>	<u>\$ 499,128</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 163,486	\$ 36,279	\$ 40,460	\$ 159,305
Township Assistance	160,379	191,663	172,326	179,716
Firefighting	168,604	35,281	45,000	158,885
Rainy Day Fund	6,659	5,797	-	12,456
Totals	<u>\$ 499,128</u>	<u>\$ 269,020</u>	<u>\$ 257,786</u>	<u>\$ 510,362</u>

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

FRANKLIN TOWNSHIP, JOHNSON 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).

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. Subsequent Event

The weekend of June 7th and 8th, 2008, the Franklin Township area sustained substantial flooding. Estimates of the damages to the Township's facilities and records are incomplete. Federal funding for a significant portion of the recovery costs is anticipated, but the exact amount is unknown at this time.

FRANKLIN TOWNSHIP, JOHNSON COUNTY
EXAMINATION RESULT AND COMMENT

FINANCIAL REPORT OPINION MODIFICATIONS

Disbursement supporting documentation for the years of 2006 and 2007 were not presented for examination due to being damaged in the June 2008 flood. Therefore, the State Board of Accounts was unable to provide an unqualified opinion on the Independent Accountant's Report for the financial information.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

FRANKLIN TOWNSHIP, JOHNSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 18, 2008, with Cecelia Campbell, Trustee; and Thomas Wood, Board member. The officials concurred with our finding.