

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

EXAMINATION REPORT
OF
BUTLER TOWNSHIP
FRANKLIN COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
01/26/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Charles Fledderman	01-01-03 to 12-31-10
Chairman of the Township Board	Francis Flaspohler Robert Amberger	01-01-06 to 12-31-06 01-01-07 to 12-31-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Butler 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.

STATE BOARD OF ACCOUNTS

December 8, 2008

BUTLER TOWNSHIP, FRANKLIN 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:				
General	\$ 8,208	\$ 8,671	\$ 12,530	\$ 4,349
Dog	178	418	-	596
Township Assistance	97	2,011	1,661	447
Firefighting	1,174	1,685	2,859	-
Levy Excess	(34)	34	-	-
Totals	<u>\$ 9,623</u>	<u>\$ 12,819</u>	<u>\$ 17,050</u>	<u>\$ 5,392</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 4,349	\$ 9,078	\$ 10,642	\$ 2,785
Dog	596	-	596	-
Township Assistance	447	3,029	768	2,708
Firefighting	-	3,417	2,998	419
Totals	<u>\$ 5,392</u>	<u>\$ 15,524</u>	<u>\$ 15,004</u>	<u>\$ 5,912</u>

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

BUTLER TOWNSHIP, FRANKLIN 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.

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.

BUTLER TOWNSHIP, FRANKLIN COUNTY
EXAMINATION RESULTS AND COMMENTS

TELEPHONE EXPENSE REIMBURSEMENT

Records presented for examination included claims for reimbursement totaling \$400 for telephone expenses each year. Detailed documentation of Township telephone calls was not attached to the information presented for reimbursement which would enable a determination that all expenses were for employees conducting Township business. We also noted there was no published telephone number in the name of the Township.

If the township office is in the home, and the telephone (only phone) is in the township name in the phone directory, the additional cost of that phone being listed as a township phone is reimbursable. Up to 50% of the base monthly service billing may also be reimbursed if approved by the township board in accordance with Indiana Code 36-6-8-3. Additionally, 100% of all documented long distance township business calls may be reimbursed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

The township trustee shall ensure adequate access to township assistance services, including a published telephone number in the name of the township. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 6)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township Trustee did not file the W-2 Wage and Tax Statement for the Township Clerk in 2006. Form 944 Employer's Annual Federal Tax Return was incorrectly completed for 2006.

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 Townships, Chapter 13)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (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>
General	2006	\$ 2,000
General	2007	310

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."

BUTLER TOWNSHIP, FRANKLIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 8, 2008, with Teresa L. Fledderman, Township Clerk. The official concurred with our findings.