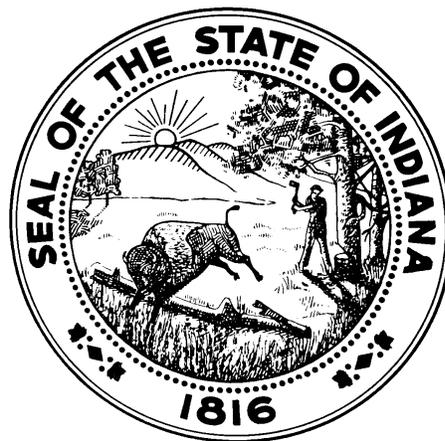


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
LAWRENCEBURG TOWNSHIP
DEARBORN COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
02/02/2009

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OFFICIALS

Office

Official

Term

Trustee

Jerome Gilb

01-01-03 to 12-31-10

Chairman of the
Township Board

Judith A. Jackson

01-01-06 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF LAWRENCEBURG TOWNSHIP, DEARBORN COUNTY, INDIANA

We have examined the financial information presented herein of Lawrenceburg 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 31, 2008

LAWRENCEBURG TOWNSHIP, DEARBORN 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	\$ 36,860	\$ 17,683	\$ 28,122	\$ 26,421
Dog	246	54	-	300
Township Assistance	18,097	26,408	15,569	28,936
Firefighting	27,920	54,293	40,020	42,193
Rainy Day	5,950	-	-	5,950
Fiduciary Fund:				
Payroll Withholdings	16	672	678	10
Totals	<u>\$ 89,089</u>	<u>\$ 99,110</u>	<u>\$ 84,389</u>	<u>\$ 103,810</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 26,421	\$ 11,132	\$ 28,648	\$ 8,905
Dog	300	-	300	-
Township Assistance	28,936	6,034	15,786	19,184
Firefighting	42,193	19,722	41,748	20,167
Rainy Day	5,950	-	-	5,950
Fiduciary Fund:				
Payroll Withholdings	10	688	689	9
Totals	<u>\$ 103,810</u>	<u>\$ 37,576</u>	<u>\$ 87,171</u>	<u>\$ 54,215</u>

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

LAWRENCEBURG TOWNSHIP, DEARBORN 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.

LAWRENCEBURG TOWNSHIP, DEARBORN COUNTY
EXAMINATION RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORTS

The 2006 and 2007 Township Annual Report (Form 15) did not agree with the Financial and Appropriation Record (Form 1C) as shown in the following schedule:

<u>Date</u>	<u>Cash Balance</u>		<u>Variance</u>
	<u>Form 15</u>	<u>Form 1C</u>	
12-31-06	\$ 99,360	\$ 103,810	\$ 4,450
12-31-07	52,907	54,215	1,308

The cash balance reported on Form 1C was the correct balance.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

A similar comment was reported in prior Report B29735.

CONFLICT OF INTEREST DISCLOSURE

Betty J. Gilb, Township Clerk, is the spouse of Jerome Gilb, Township Trustee. The Township Clerk is under the administrative control of the Township Trustee. Betty J. Gilb received compensation in the amount \$3,000 for the year 2006 and for the year 2007 as Township Clerk. A Uniform Conflict of Interest Disclosure Statement was not filed.

Indiana Code 35-44-1-3 states in part:

"(a) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony . . ."

"(c) This section does not prohibit a public servant from having a pecuniary interest in or deriving a profit from a contract or purchase connected with the governmental entity served . . . (3) if the public servant; (A) is an elected public servant . . . and (B) makes a disclosure under subsection (d)(1) through (d)(6)."

"(d) A disclosure required by this section must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be

LAWRENCEBURG TOWNSHIP, DEARBORN COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity prior to final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) . . . the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase . . ."

"(g) A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (1) the public servant; or (2) a dependent of the public servant who: (A) is under the direct or indirect administrative control of the public servant; or (B) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant . . ."

"(k) As used in this section, 'dependent' means . . .: (1) The spouse of a public servant."

A similar comment was reported in prior Report B29735.

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The following deficiencies were noted regarding directives of the Internal Revenue Service:

1. No Internal Revenue Service Form W-2's were presented for examination showing that compensation paid to Board Members was reported to the Internal Revenue Service and the Indiana Department of Revenue.
2. No payroll taxes were withheld from compensation paid to Board Members; however, no Internal Revenue Service Form W-4 (Employee's Withholding Allowance Certificate) was presented for examination.

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)

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)

A similar comment was reported in prior Report B29735.

LAWRENCEBURG TOWNSHIP, DEARBORN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 31, 2008, with Jerome Gilb, Trustee.