

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

EXAMINATION REPORT  
OF  
MONTGOMERY TOWNSHIP  
GIBSON COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
02/10/2009



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report.....	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information .....	5
Examination Results and Comments: Annual Financial Report .....	6
Appropriations.....	6
Exit Conference.....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Theresa Roudebush DeWayne Wade	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Kenneth Dillon Wayne Dearing	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 MONTGOMERY TOWNSHIP, GIBSON COUNTY, INDIANA

We have examined the financial information presented herein of Montgomery 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

October 28, 2008

MONTGOMERY TOWNSHIP, GIBSON 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	\$ 56,783	\$ 53,158	\$ 48,564	\$ 61,377
Dog	406	122	450	78
Township Assistance	32,962	29,295	49,147	13,110
Park and Recreation	34,062	7,553	15,265	26,350
Totals	<u>\$ 124,213</u>	<u>\$ 90,128</u>	<u>\$ 113,426</u>	<u>\$ 100,915</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 61,377	\$ 43,983	\$ 40,831	\$ 64,529
Dog	78	-	78	-
Township Assistance	13,110	36,436	24,867	24,679
Park and Recreation	26,350	6,024	5,938	26,436
Levy Excess	-	690	-	690
Totals	<u>\$ 100,915</u>	<u>\$ 87,133</u>	<u>\$ 71,714</u>	<u>\$ 116,334</u>

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

MONTGOMERY TOWNSHIP, GIBSON 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, culture and recreation, 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.

MONTGOMERY TOWNSHIP, GIBSON COUNTY  
EXAMINATION RESULTS AND COMMENTS

ANNUAL FINANCIAL REPORT

The Annual Financial Report (Township Form 15) prepared by the Trustee did not agree with the financial and appropriation ledger.

The township trustee shall present a complete report of all receipts and expenditures of the preceding calendar year, including the balance to the credit of each fund controlled by the trustee. If the trustee controls any money that is not included in a particular fund, then the trustee shall state all the facts concerning that money in the report. The report must be submitted to the township board on or before the third Tuesday after the first Monday in January of each year at the annual meeting. A copy of the annual report shall remain in the custody of the chairman of the township board who shall keep it open to inspection by taxpayers. Within ten (10) days after the township board's action on said report, the trustee shall file a copy of the report and its accompanying vouchers in the county auditor's office.

When the trustee prepares the annual report mentioned above, the trustee shall also prepare an abstract of receipts and disbursements on forms prescribed by the State Board of Accounts. The abstract shall include; (1) the sum of money in each fund of the township at the beginning of the year, (2) the sum of money received in each fund of the township during the year, (3) the sum of money paid from each fund of the township during the year, (4) the sum of money remaining in each township at the end of each year, (5) a statement of receipts, showing their source and, (6) a statement of expenditures, showing the combined gross payment, according to classification of expense to each person. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township Assistance	2006	<u>\$ 2,771</u>

IC 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."

MONTGOMERY TOWNSHIP, GIBSON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 18, 2008, with DeWayne Wade, Trustee. The official concurred with our findings.