

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

EXAMINATION REPORT
OF
ST. JOHN TOWNSHIP
LAKE COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
02/11/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Jean E. Shepherd	01-01-03 to 12-31-10
Chairman of the Township Board	Mary Tanis William Bednar Thomas Cavanaugh	01-01-06 to 12-31-06 01-01-07 to 12-31-07 01-01-08 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 ST. JOHN TOWNSHIP, LAKE COUNTY, INDIANA

We have examined the financial information presented herein of St. John 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 16, 2008

ST. JOHN TOWNSHIP, LAKE 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	\$ 178,140	\$ 122,736	\$ 156,938	\$ 143,938
Dog	398	229	122	505
Township Assistance	149,052	77,708	88,816	137,944
Firefighting	(41,846)	235,518	134,744	58,928
Park and Recreation	209,773	137,123	142,070	204,826
Senior Citizen Transportation	256	6,527	5,807	976
Cumulative Fire	2,500	32,643	20,000	15,143
Fiduciary Fund:				
Payroll Withholdings	-	41,448	41,494	(46)
Totals	<u>\$ 498,273</u>	<u>\$ 653,932</u>	<u>\$ 589,991</u>	<u>\$ 562,214</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 143,938	\$ 128,676	\$ 150,912	\$ 121,702
Dog	505	-	505	-
Township Assistance	137,944	80,152	93,929	124,167
Firefighting	58,928	169,285	134,745	93,468
Park and Recreation	204,826	146,794	165,146	186,474
Senior Citizen Transportation	976	6,956	1,345	6,587
Cumulative Fire	15,143	35,917	-	51,060
Fiduciary Fund:				
Payroll Withholdings	(46)	44,318	44,100	172
Totals	<u>\$ 562,214</u>	<u>\$ 612,098</u>	<u>\$ 590,682</u>	<u>\$ 583,630</u>

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

ST. JOHN TOWNSHIP, LAKE 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.

Note 5. Deposits and Investments

Deposits, made in accordance with IC 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.

ST. JOHN TOWNSHIP, LAKE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

ST. JOHN TOWNSHIP, LAKE COUNTY
EXAMINATION RESULT AND COMMENT

PENALTIES AND INTEREST

Penalties and interest totaling \$40.77 were paid to the Indiana Department of Revenue for late remittance of payroll withholding taxes for the month of January 2007.

Jean E. Shepherd, Trustee, was requested to reimburse the Township \$40.77.

The Township was reimbursed \$40.77 on December 8, 2008, Receipt 6995

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit. 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)

ST. JOHN TOWNSHIP, LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 16, 2008, with Jean E. Shepherd, Trustee; and Thomas Cavanaugh, Chairman of the Township Board.