

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

EXAMINATION REPORT
OF
BEARCREEK TOWNSHIP
JAY COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
12/22/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Carey A. Brunswick Alice L. Miller	01-01-07 to 03-31-09 04-01-09 to 12-31-10
Chairman of the Township Board	Dwain E. Michael Stephen Fennig Dwain E. Michael	01-01-07 to 12-31-07 01-01-08 to 12-31-08 01-01-09 to 12-31-09



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BEARCREEK TOWNSHIP, JAY COUNTY, INDIANA

We have examined the financial information presented herein of Bearcreek Township (Township), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

October 5, 2009

BEARCREEK TOWNSHIP, JAY 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, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 43,490	\$ 27,143	\$ 16,902	\$ 53,731
Dog	1,204	-	1,204	-
Township Assistance	29,210	6,163	11,266	24,107
Firefighting	32,710	13,581	10,400	35,891
Levy Excess	401	-	-	401
Fiduciary Fund:				
HDV Licenses	21	3,525	3,525	21
Totals	<u>\$ 107,036</u>	<u>\$ 50,412</u>	<u>\$ 43,297</u>	<u>\$ 114,151</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 53,731	\$ 28,654	\$ 18,753	\$ 63,632
Township Assistance	24,107	5,118	7,820	21,405
Firefighting	35,891	15,402	10,600	40,693
Levy Excess	401	-	-	401
Fiduciary Fund:				
HDV Licenses	21	3,675	3,675	21
Totals	<u>\$ 114,151</u>	<u>\$ 52,849</u>	<u>\$ 40,848</u>	<u>\$ 126,152</u>

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

BEARCREEK TOWNSHIP, JAY 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. 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.

BEARCREEK TOWNSHIP, JAY COUNTY
EXAMINATION RESULTS AND COMMENTS

DEPOSIT OF PUBLIC FUNDS

Tax distributions of \$32,435 were not deposited until at least three weeks after the check date. Included in the amount are two checks dated May 1, 2007, which were deposited on July 15, 2007.

IC 5-13-6-1(c) states in part: "The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month."

ADVANCE PAYMENT OF SALARIES

Carey A. Brunswick, Trustee; and Greg W. Brunswick, Clerk; each received their entire annual salaries by June 15 each year.

IC 5-7-3-1(a) states: "Public officers may not draw or receive their salaries in advance."

PENALTIES AND INTEREST

Penalties and interest totaling \$146.95 were paid to the Internal Revenue Service and the Indiana Department of Revenue in 2008 for late payments of payroll taxes.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. . . . 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)

BEARCREEK TOWNSHIP, JAY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 5, 2009, with Alice L. Miller, Trustee; and Dwain E. Michael, Chairman of the Township Board.