

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

EXAMINATION REPORT

OF

CENTER TOWNSHIP

VANDERBURGH COUNTY, INDIANA

January 1, 2008 to December 31, 2009



**FILED**

03/08/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	James L. Ritter	01-01-07 to 12-31-10
Chairman of the Township Board	Jack Kirwer	01-01-08 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER TOWNSHIP, VANDERBURGH COUNTY, INDIANA

We have examined the financial information presented herein of Center Township (Township), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

January 21, 2010

CENTER TOWNSHIP, VANDERBURGH 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 119,404	\$ 340,265	\$ 238,672	\$ 220,997
Township Assistance	233,196	261,145	228,854	265,487
Firefighting	107,806	328,924	300,019	136,711
Cumulative Fire	169,891	271,452	250,027	191,316
Rainy Day	3,095	17,082	-	20,177
Fire Equipment Debt	-	62,316	61,360	956
Loan & Interest	3,537	-	-	3,537
Fiduciary Fund:				
Payroll Withholdings	(1,705)	36,285	83,108	(48,528)
Totals	<u>\$ 635,224</u>	<u>\$ 1,317,469</u>	<u>\$ 1,162,040</u>	<u>\$ 790,653</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 220,997	\$ 251,260	\$ 217,234	\$ 255,023
Township Assistance	265,487	308,256	394,274	179,469
Firefighting	136,711	337,287	300,000	173,998
Cumulative Fire	191,316	211,701	280,000	123,017
Rainy Day	20,177	5,777	-	25,954
Fire Equipment Debt	956	3,537	-	4,493
Loan & Interest	3,537	-	3,537	-
Fiduciary Fund:				
Payroll Withholdings	(48,528)	110,640	59,483	2,629
Totals	<u>\$ 790,653</u>	<u>\$ 1,228,458</u>	<u>\$ 1,254,528</u>	<u>\$ 764,583</u>

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

CENTER TOWNSHIP, VANDERBURGH 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.

CENTER TOWNSHIP, VANDERBURGH 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.

Note 7. Restatements

For the year ended December 31, 2007, certain changes have been made to the financial statements to correct errors in amounts previously reported.

<u>Fund</u>	<u>Balance as Previously Reported December 31, 2007</u>	<u>Fund Correction</u>	<u>Balance as Restated January 1, 2008</u>
Township	\$ 120,568	\$ (1,164)	\$ 119,404
Firefighting	47,561	60,245	107,806

CENTER TOWNSHIP, VANDERBURGH COUNTY  
EXAMINATION RESULTS AND COMMENTS

FUND SOURCES AND USES

Funds were disbursed from the Payroll Deduction Fund for the employer's share of insurance and from the Township Fund for withholdings from employee's salary for insurance.

Sources and uses of funds should be limited to those authorized by the enabling statute, ordinance, resolution, or grant agreement. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SUPPORTING DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation, such as receipts, invoices, and other public records. Due to the lack of supporting information, the validity and accountability for some money disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

UNAUTHORIZED DISBURSEMENTS

Unauthorized disbursements in the amount of \$971.90 were made to Janice Bentle, Chief Deputy.

Funds misappropriated, diverted or unaccounted for through malfeasance, misfeasance, or non-feasance in office of any officer or employee may be the personal obligation of the responsible officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

On August 21, 2008, Janice Bentle repaid \$950.90. The remaining \$21.00 was repaid on January 5, 2010.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 21, 2010, with James L. Ritter, Trustee; Janice Bentle, Chief Deputy; and Barbara Isaac, Chief Investigator. The officials concurred with our findings.

CENTER TOWNSHIP, VANDERBURGH COUNTY  
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
Janice Bentle, Chief Deputy: Unauthorized Disbursements, page 7	<u>\$ 971.90</u>	<u>\$ 971.90</u>	<u>\$ -</u>