

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

EXAMINATION REPORT
OF
JEFFERSON TOWNSHIP
MIAMI COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
04/01/2010

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
Supplementary Information:	
Schedule of Capital Assets.....	6
Examination Results and Comments:	
Advance Payments.....	7
Payroll Deductions.....	7
Federal and State Agencies - Compliance Requirements	7
Contracts	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Reginald R. Wolfe, Sr.	01-01-07 to 12-31-10
Chairman of the Township Board	Jean Conner	01-01-08 to 12-31-10



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 JEFFERSON TOWNSHIP, MIAMI COUNTY, INDIANA

We have examined the financial information presented herein of Jefferson 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.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

February 15, 2010

JEFFERSON TOWNSHIP, MIAMI 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	\$ 12,047	\$ 21,612	\$ 15,995	\$ 17,664
Township Assistance	16,872	1,616	2,336	16,152
Firefighting	6,422	33,310	24,825	14,907
Park and Recreation	1,235	15,463	15,734	964
Weed	137	-	-	137
Levy Excess	2,053	-	-	2,053
Totals	<u>\$ 38,766</u>	<u>\$ 72,001</u>	<u>\$ 58,890</u>	<u>\$ 51,877</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 17,664	\$ 15,336	\$ 16,647	\$ 16,353
Township Assistance	16,152	891	4,861	12,182
Firefighting	14,907	28,387	25,617	17,677
Park and Recreation	964	21,551	14,977	7,538
Weed	137	-	-	137
Rainy Day	-	1,166	-	1,166
Levy Excess	2,053	-	-	2,053
Totals	<u>\$ 51,877</u>	<u>\$ 67,331</u>	<u>\$ 62,102</u>	<u>\$ 57,106</u>

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

JEFFERSON TOWNSHIP, MIAMI 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.

JEFFERSON TOWNSHIP, MIAMI COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,000
Buildings	15,000
Machinery and equipment	<u>5,400</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 23,400</u>

JEFFERSON TOWNSHIP, MIAMI COUNTY
EXAMINATION RESULTS AND COMMENTS

ADVANCE PAYMENTS

Some payments were made to companies or individuals prior to the receipt of goods or services. The Township Trustee's annual salary in both 2008 and 2009, was paid in full prior to August 31 and the Township Clerk's annual salary was paid in full prior to October 31. A similar comment was in prior Reports B27333 and B31944.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PAYROLL DEDUCTIONS

The Township made payments to employees without payroll deductions for taxes. A similar comment was in prior Reports B14051, B20656, B27333 and B31944.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township did not report employee wages and salaries on Forms W-2. Additionally, the Township failed to report payments for Cemetery mowing or Office rent on Forms 1099. A similar comment was in prior Reports B14051, B20656, B27333 and B31944.

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)

CONTRACTS

Payments were made for the mowing of cemeteries in the amounts of \$4,440 and \$4,960 in 2008 and 2009 respectively, without a contract. A similar comment was in prior Report B31944.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

JEFFERSON TOWNSHIP, MIAMI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 15, 2010, with Reginald R. Wolfe, Sr, Trustee. The official concurred with our findings.