

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

EXAMINATION REPORT
OF
CENTRE TOWNSHIP
ST. JOSEPH COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/01/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Richard Carr	01-01-07 to 12-31-10
Chairman of the Township Board	Thomas Lindenman	01-01-07 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTRE TOWNSHIP, ST. JOSEPH COUNTY, INDIANA

We have examined the financial information presented herein of Centre Township (Township), for the period of January 1, 2007 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, 2007, 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. The Schedule has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on the Schedule.

STATE BOARD OF ACCOUNTS

March 1, 2010

CENTRE TOWNSHIP, ST. JOSEPH 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, 2008, And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 31,208	\$ 35,145	\$ 32,486	\$ 33,867
Township Assistance	13,082	20,966	15,120	18,928
Firefighting	139,915	370,194	429,398	80,711
Rainy Day	6,114	-	-	6,114
Levy Excess	9,799	-	9,799	-
Cumulative Fire	224,724	50,712	-	275,436
Fiduciary Fund:				
Payroll Withholdings	1,557	43,177	44,734	-
Totals	<u>\$ 426,399</u>	<u>\$ 520,194</u>	<u>\$ 531,537</u>	<u>\$ 415,056</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 33,867	\$ 14,572	\$ 43,009	\$ 5,430
Township Assistance	18,928	7,977	22,043	4,862
Firefighting	80,711	367,400	448,111	-
Rainy Day	6,114	12,038	18,152	-
Fire Emergency Loan	-	132,219	132,219	-
Cumulative Fire	275,436	18,612	294,048	-
Fiduciary Fund:				
Payroll Withholdings	-	65,271	65,271	-
Totals	<u>\$ 415,056</u>	<u>\$ 618,089</u>	<u>\$ 1,022,853</u>	<u>\$ 10,292</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 5,430	\$ 67,423	\$ 32,901	\$ 39,952
Township Assistance	4,862	32,949	20,220	17,591
Firefighting	-	283,897	300,238	(16,341)
Rainy Day	-	9,495	-	9,495
Fire Debt	-	16,341	-	16,341
Cumulative Fire	-	195,465	195,465	-
Fiduciary Fund:				
Payroll Withholdings	-	4,443	4,443	-
Totals	<u>\$ 10,292</u>	<u>\$ 610,013</u>	<u>\$ 553,267</u>	<u>\$ 67,038</u>

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

CENTRE TOWNSHIP, ST. JOSEPH 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 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.

CENTRE TOWNSHIP, ST. JOSEPH 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.

CENTRE TOWNSHIP, ST. JOSEPH COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
As of 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:	
Machinery and equipment	<u>\$ 1,757,789</u>

CENTRE TOWNSHIP, ST. JOSEPH COUNTY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

The Trustee did not have a capital asset record that included all capital assets of the Township. The Township during 2009 purchased approximately \$52,000 of various emergency equipment, but these items were not added to the capital asset listing.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

APPROPRIATIONS

The records presented for examination indicated the 2007 Fire Fighting Fund expenditures, \$429,398, were in excess of budgeted appropriations approved by the Indiana Department of Local Government Finance, \$317,011.

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."

BOARD MINUTES

Not all minutes of meetings of the governing body were available for examination. The October 1, 2008, minutes show approval of the May 8, 2008, and September 17, 2008, meetings. Neither of these meeting minutes was presented for examination. Also, no minutes for meetings after January 17, 2009, were presented for examination.

IC 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

CENTRE TOWNSHIP, ST. JOSEPH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 24, 2010, with Richard Carr, Trustee; and on March 1, 2010, with Thomas Lindenman, Chairman of the Township Board. The officials concurred with our findings.