

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

EXAMINATION REPORT
OF
AUBBEENAUBBEE TOWNSHIP
FULTON COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
04/07/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Carol A. Chileen	01-17-07 to 12-31-10
Chairman of the Township Board	Dennis Reinholt	01-01-07 to 12-31-08
	Allen J. Barrett	01-01-09 to 12-31-09
	Tami Ringer	01-01-10 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF AUBBEENAUBBEE TOWNSHIP, FULTON COUNTY, INDIANA

We have examined the financial information presented herein of Aubbeenaubbee 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

February 2, 2010

AUBBEENAUBBEE TOWNSHIP, FULTON COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 16,923	\$ 28,354	\$ 19,467	\$ 25,810
Township Assistance	6,622	-	1,366	5,256
Firefighting	70,529	61,057	38,223	93,363
Cemetery	7,950	7,060	10,062	4,948
Levy Excess	1,394	1,284	1,284	1,394
Host Fees	10,627	39	-	10,666
Totals	<u>\$ 114,045</u>	<u>\$ 97,794</u>	<u>\$ 70,402</u>	<u>\$ 141,437</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 25,810	\$ 21,304	\$ 19,380	\$ 27,734
Township Assistance	5,256	4,185	4,909	4,532
Firefighting	93,363	51,751	36,651	108,463
Cemetery	4,948	14,499	19,363	84
Levy Excess	1,394	-	-	1,394
Host Fees	10,666	21	-	10,687
Totals	<u>\$ 141,437</u>	<u>\$ 91,760</u>	<u>\$ 80,303</u>	<u>\$ 152,894</u>

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

AUBBEENAUBBEE TOWNSHIP, FULTON 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.

AUBBEENAUBBEE TOWNSHIP, FULTON COUNTY
EXAMINATION RESULTS AND COMMENTS

CONTRACT

The Township contracted during 2009 with Dennis Reinholt during 2009, for \$ 3,000 for mowing services. Mr. Reinholt was paid \$4,000 for these services during 2009, resulting in a \$1,000 overpayment of the contract. We requested reimbursement of \$1,000 from Carol Chileen, Township Trustee, for the overpayment of the contract which amount was repaid on February 1, 2010.

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)

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for audit. A similar comment was noted in prior Reports B28169 and B32103.

IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

DEPOSIT OF PUBLIC FUNDS

The Trustee was not making deposits on a timely basis.

IC 5-13-6-1(c) states: "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."

APPROPRIATIONS

The records presented for examination indicated the following expenditure in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Firefighting	2009	<u>\$ 7,363.05</u>

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."

AUBBEENAUBBEE TOWNSHIP, FULTON COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

OFFICIAL BOND

The following official bond was not filed in the Office of the County Recorder:

Carol A. Chileen, Aubbeenaubbee Township Trustee 01-01-08 to 12-31-09

IC 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ." A similar comment was noted in prior Report B32103.

PAYROLL DEDUCTIONS

Payments totaling \$2,000 in each year during 2008 and 2009 were made to the Township Clerk without payroll deductions for Social Security or Medicare. A similar comment was made in prior Reports B20569, B27338, and B32103.

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)

AUBBEENAUBBEE TOWNSHIP, FULTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 2, 2010, with Carol A. Chileen, Trustee.
The official concurred with our findings.