

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

EXAMINATION REPORT
OF
GALENA TOWNSHIP
LAPORTE COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/08/2010

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OFFICIALS

Office

Official

Term

Trustee

Edward S. Hynek

01-01-07 to 12-31-10

Chairman of the
Township Board

Wayne Dudeck

01-01-07 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GALENA TOWNSHIP, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Galena 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.

STATE BOARD OF ACCOUNTS

March 26, 2010

GALENA TOWNSHIP, LAPORTE COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 20,358	\$ 63,618	\$ 20,612	\$ 63,364
Dog	212	2	214	-
Township Assistance	18,308	-	1,886	16,422
Firefighting	1,931	33,679	15,500	20,110
Park and Recreation	96,757	-	48,918	47,839
Levy Excess	2,952	-	-	2,952
Riverboat	13,911	14,487	-	28,398
Totals	<u>\$ 154,429</u>	<u>\$ 111,786</u>	<u>\$ 87,130</u>	<u>\$ 179,085</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 63,364	\$ 34,824	\$ 17,909	\$ 80,279
Township Assistance	16,422	-	2,248	14,174
Firefighting	20,110	22,843	51,500	(8,547)
Park and Recreation	47,839	-	-	47,839
Levy Excess	2,952	-	-	2,952
Riverboat	28,398	7,919	-	36,317
Totals	<u>\$ 179,085</u>	<u>\$ 65,586</u>	<u>\$ 71,657</u>	<u>\$ 173,014</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 80,279	\$ 11,828	\$ 34,873	\$ 57,234
Township Assistance	14,174	-	1,115	13,059
Firefighting	(8,547)	29,183	38,000	(17,364)
Park and Recreation	47,839	-	-	47,839
Levy Excess	2,952	-	-	2,952
Riverboat	36,317	10,194	-	46,511
Totals	<u>\$ 173,014</u>	<u>\$ 51,205</u>	<u>\$ 73,988</u>	<u>\$ 150,231</u>

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

GALENA TOWNSHIP, LAPORTE 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.

GALENA TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

Note 6. Subsequent Event

LaPorte County Property Taxes

LaPorte County has not completed and settled an approved property tax cycle since the 2005 payable 2006 property tax year. Each subsequent year the County has sent out various forms of provisional bills with the notice that a reconciliation bill will be provided to taxpayers once assessments are approved and certified and final tax rates are established. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the Township. It cannot be determined how much property tax collections the Township will receive once all the reconciliation bills have been distributed and the collections received. Provisional bills for taxes payable in 2009 were due January 29, 2010. The Township received their distribution on February 11, 2010.

GALENA TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULT AND COMMENT

OVERDRAWN FUND BALANCE

The Firefighting Fund was overdrawn \$8,547 and \$17,364 in 2008 and 2009, respectively.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

GALENA TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 26, 2010, with Edward S. Hynek, Trustee.
The official concurred with our finding.