

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

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



**FILED**  
04/08/2010



## 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 .....	5-6
Supplementary Information:	
Schedule of Long-Term Debt .....	7
Examination Results and Comments:	
Official Bond .....	8
Donations.....	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Glenn A. Wallace	01-01-07 to 12-31-10
Chairman of the Township Board	Patricia Werner	01-01-07 to 12-31-07
	Monte Clindaniel	01-01-08 to 12-31-08
	Steve Koontz	01-01-09 to 12-31-09
	Monte Clindaniel	01-01-10 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Hanna 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 Long-Term Debt, 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

March 25, 2010

HANNA 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	\$ 15,602	\$ 28,352	\$ 23,529	\$ 20,425
Township Assistance	16,083	511	220	16,374
Firefighting	173,705	64,907	218,812	19,800
Fire Equipment Debt	(734)	39,622	34,258	4,630
Rainy Day	24,746	8,981	2,000	31,727
Levy Excess	3,795	-	-	3,795
Totals	<u>\$ 233,197</u>	<u>\$ 142,373</u>	<u>\$ 278,819</u>	<u>\$ 96,751</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 20,425	\$ 31,234	\$ 27,790	\$ 23,869
Township Assistance	16,374	139	-	16,513
Firefighting	19,800	88,535	64,615	43,720
Fire Equipment Debt	4,630	60,431	56,046	9,015
Rainy Day	31,727	7,919	1,404	38,242
Levy Excess	3,795	-	3,795	-
Totals	<u>\$ 96,751</u>	<u>\$ 188,258</u>	<u>\$ 153,650</u>	<u>\$ 131,359</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 23,869	\$ 20,496	\$ 28,697	\$ 15,668
Township Assistance	16,513	619	-	17,132
Firefighting	43,720	68,788	67,208	45,300
Fire Equipment Debt	9,015	43,438	21,595	30,858
Rainy Day	38,242	10,248	2,667	45,823
Totals	<u>\$ 131,359</u>	<u>\$ 143,589</u>	<u>\$ 120,167</u>	<u>\$ 154,781</u>

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

HANNA 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.

HANNA 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 is undeterminable 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.

HANNA TOWNSHIP, LAPORTE COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2009

The Township has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Loans payable:		
1st Responder Truck	\$ 68,231	\$ 21,595

HANNA TOWNSHIP, LAPORTE COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Trustee's official bond was not filed in the office of the County Recorder for the years 2007, 2008, and 2009.

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 . . ."

DONATIONS

The Township donated funds to various organizations during the examination period as follows: \$1,000 to the South Central Jr.-Sr. High School for weight equipment; \$1,000 to the South Central Pop Warner Program; and \$1,667 to the South Central Athletic Improvement Fund Committee.

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HANNA TOWNSHIP, LAPORTE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Glenn A. Wallace, Trustee.