

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

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



FILED
04/08/2010

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OFFICIALS

Office

Official

Term

Trustee

Susan E. Cable

01-01-07 to 12-31-10

Chairman of the
Township Board

Edward E. Burek

01-01-07 to 12-31-10



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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Pleasant 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 23, 2010

PLEASANT 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	\$ 19,980	\$ 12,788	\$ 20,728	\$ 12,040
Dog	1,353	-	1,353	-
Township Assistance	27,713	-	1,566	26,147
Firefighting	101,400	44,157	86,802	58,755
Fire Debt	16,080	3,523	30,688	(11,085)
Riverboat	28,641	3,275	-	31,916
Cumulative Fire	42,027	7,040	29,657	19,410
Totals	<u>\$ 237,194</u>	<u>\$ 70,783</u>	<u>\$ 170,794</u>	<u>\$ 137,183</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 12,040	\$ 29,295	\$ 21,344	\$ 19,991
Dog	-	-	-	-
Township Assistance	26,147	-	1,661	24,486
Firefighting	58,755	74,546	118,402	14,899
Fire Debt	(11,085)	41,624	30,688	(149)
Riverboat	31,916	7,919	35,000	4,835
Cumulative Fire	19,410	24,105	33,000	10,515
Totals	<u>\$ 137,183</u>	<u>\$ 177,489</u>	<u>\$ 240,095</u>	<u>\$ 74,577</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 19,991	\$ 19,489	\$ 21,962	\$ 17,518
Dog	-	-	1,715	(1,715)
Township Assistance	24,486	-	-	24,486
Firefighting	14,899	85,929	41,753	59,075
Fire Debt	(149)	27,621	15,451	12,021
Riverboat	4,835	-	-	4,835
Cumulative Fire	10,515	15,995	-	26,510
Totals	<u>\$ 74,577</u>	<u>\$ 149,034</u>	<u>\$ 80,881</u>	<u>\$ 142,730</u>

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

PLEASANT 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, 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.

PLEASANT 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 2009 were due January 29, 2010. The Township received their distribution on February 11, 2010.

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

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Loan payable	\$ 245,629	\$ 24,896

PLEASANT TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The fund balance of the Fire Debt Fund was overdrawn in 2007 and 2008 by \$11,085 and \$149, 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)

APPROPRIATIONS

The records presented for examination indicated the Cumulative Fire Fund expenditures exceeded budgeted appropriations by \$14,657 for 2007. Certified budgets were not available for 2008 or 2009 due to the ongoing property reassessment in LaPorte County.

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."

RECEIPT ISSUANCE

The Township does not issue Township Receipt Form 16 for funds received.

The Township Trustee's Receipt (Form 16-1997) is to be used for receipt of each item of money received. Indicate in the space "On Account Of" the funds to which the receipt is to be posted and identify the receipt, such as dog Tax, Tax Distribution, Fire protection Agreement, Temporary Loan, Bank Loan for Equipment, etc. Give the original to the payor, and retain all duplicates in the bound record. Payment amount for cash, check, money order, creditcard/bank card, EFT, and other shall be designated on each receipt. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 2)

PLEASANT TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 23, 2010, with Susan E. Cable, Trustee. The official concurred with our findings.