

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

EXAMINATION REPORT
OF
JACKSON TOWNSHIP
FOUNTAIN COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED

04/09/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Richard Rodgers	01-01-07 to 12-31-10
Chairman of the Township Board	Norma McManomy	01-01-07 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JACKSON TOWNSHIP, FOUNTAIN COUNTY, INDIANA

We have examined the financial information presented herein of Jackson 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 9, 2010

JACKSON TOWNSHIP, FOUNTAIN 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	\$ 82,694	\$ 7,355	\$ 6,388	\$ 83,661
Dog	528	-	528	-
Township Assistance	5,468	1,087	1,475	5,080
Firefighting	23,369	23,530	20,525	26,374
Park and Recreation	12,033	1,732	2,694	11,071
Donation	10	-	-	10
Homeland Security Grant	2,128	-	-	2,128
Rainy Day	1,082	-	-	1,082
Levy Excess	222	-	-	222
Fiduciary Fund:				
Payroll Withholdings	-	1,212	1,212	-
Totals	\$ 127,534	\$ 34,916	\$ 32,822	\$ 129,628
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 83,661	\$ 5,251	\$ 9,076	\$ 79,836
Township Assistance	5,080	1,006	2,785	3,301
Firefighting	26,374	15,383	14,360	27,397
Park and Recreation	11,071	1,065	1,950	10,186
Donation	10	-	-	10
Homeland Security Grant	2,128	-	1,862	266
Rainy Day	1,082	717	-	1,799
Levy Excess	222	-	-	222
Fiduciary Fund:				
Payroll Withholdings	-	1,214	1,214	-
Totals	\$ 129,628	\$ 24,636	\$ 31,247	\$ 123,017
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 79,836	\$ 7,507	\$ 7,749	\$ 79,594
Township Assistance	3,301	5,559	5,079	3,781
Firefighting	27,397	25,161	26,089	26,469
Park and Recreation	10,186	1,069	2,098	9,157
Donation	10	-	-	10
Homeland Security Grant	266	-	-	266
Rainy Day	1,799	2,117	-	3,916
Levy Excess	222	-	-	222
Fiduciary Fund:				
Payroll Withholdings	-	1,214	1,214	-
Totals	\$ 123,017	\$ 42,627	\$ 42,229	\$ 123,415

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

JACKSON TOWNSHIP, FOUNTAIN 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). Ordinarily taxes are to be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. In 2007, taxes were due June 8 and November 13 and distributed by December 31, 2007. In 2008, taxes were due November 10 and January 12, 2009, and were distributed February 10, 2009. In 2009, taxes were due July 10 and November 10 and were distributed by December 31, 2009.

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.

JACKSON TOWNSHIP, FOUNTAIN COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

Fund	Years	Excess Amount Expended
Fire	2008	\$ 1,060
Fire	2009	89
Township	2008	86

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."

DEPOSIT OF PUBLIC FUNDS

We noted in at least three instances where the Trustee was making deposits nearly a month after receipt of funds.

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

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township did not comply with directives of the Internal Revenue Service (IRS). The Township did not issue IRS Forms 1099 when required.

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)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

JACKSON TOWNSHIP, FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 9, 2010, with Richard Rodgers, Trustee. The official concurred with our findings.