

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

EXAMINATION REPORT  
OF  
JEFFERSON TOWNSHIP  
NEWTON COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
04/14/2010



## 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
Examination Results and Comments:	
Donations.....	6
Official Bond .....	6
Federal and State Agencies – Compliance Requirements .....	6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Kathie Donaldson

01-01-07 to 12-31-10

Chairman of the  
Township Board

Jamie Wirtz

01-01-07 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, NEWTON COUNTY, INDIANA

We have examined the financial information presented herein of Jefferson 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 1, 2010

JEFFERSON TOWNSHIP, NEWTON 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 178,825	\$ 43,214	\$ 30,455	\$ 191,584
Township Assistance	25,956	7,855	13,057	20,754
Fire Fighting	17,594	25,794	20,000	23,388
Cumulative Fire	-	-	-	-
Rainy Day	3,801	8,954	-	12,755
Landfill Donation	42,430	72,218	42,045	72,603
Fiduciary Fund:				
Payroll Withholdings	-	1,110	1,110	-
Totals	<u>\$ 268,606</u>	<u>\$ 159,145</u>	<u>\$ 106,667</u>	<u>\$ 321,084</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 191,584	\$ 33,809	\$ 33,151	\$ 192,242
Township Assistance	20,754	20,127	10,533	30,348
Fire Fighting	23,388	27,043	20,000	30,431
Cumulative Fire	-	18,454	-	18,454
Rainy Day	12,755	4,486	200	17,041
Landfill Donation	72,603	68,972	48,361	93,214
Fiduciary Fund:				
Payroll Withholdings	-	1,110	1,110	-
Totals	<u>\$ 321,084</u>	<u>\$ 174,001</u>	<u>\$ 113,355</u>	<u>\$ 381,730</u>

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

JEFFERSON TOWNSHIP, NEWTON 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

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.

JEFFERSON TOWNSHIP, NEWTON COUNTY  
EXAMINATION RESULTS AND COMMENTS

DONATIONS

The Landfill Donation Fund which is funded primarily by landfill hosts fees, donated monies to several community service organizations. A similar comment was in the prior Report B31894.

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)

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder:

Kathie Donaldson - January 1, 2009 through January 1, 2010  
Kathie Donaldson - January 1, 2010 through January 1, 2011

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 . . ."

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township did not report to the Internal Revenue Service in 2008 or 2009 Township Trustee Office Rent paid to Kathie Donaldson, Trustee (\$4,200 for 2008 and 2009) and the Cemetery Care paid to Jim Alexander (\$4,300 in 2008 and \$4,390 in 2009).

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)

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

JEFFERSON TOWNSHIP, NEWTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on February 1, 2010, with Kathie Donaldson, Trustee. The official concurred with our findings.