

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

EXAMINATION REPORT  
OF  
HART TOWNSHIP  
WARRICK COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**  
04/16/2010



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OFFICIALS

Office

Official

Term

Trustee

Kelly D. Hall

01-10-07 to 12-31-10

Chairman of the  
Township Board

Greg Carter

01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF HART TOWNSHIP, WARRICK COUNTY, INDIANA

We have examined the financial information presented herein of Hart 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 24, 2010

HART TOWNSHIP, WARRICK 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	\$ (707)	\$ 28,622	\$ 22,016	\$ 5,899
Dog	365	-	365	-
Township Assistance	1,145	6,905	5,624	2,426
Firefighting	3,708	25,898	21,225	8,381
Park and Recreation	4,169	1,049	4,400	818
Fire Debt	60,750	35,315	68,078	27,987
Fiduciary Fund:				
Levy Excess	-	13,227	-	13,227
Totals	<u>\$ 69,430</u>	<u>\$ 111,016</u>	<u>\$ 121,708</u>	<u>\$ 58,738</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 5,899	\$ 32,007	\$ 32,430	\$ 5,476
Township Assistance	2,426	10,160	10,386	2,200
Firefighting	8,381	14,005	22,386	-
Park and Recreation	818	918	1,300	436
Fire Debt	27,987	92,884	99,088	21,783
Fiduciary Fund:				
Levy Excess	13,227	-	13,227	-
Totals	<u>\$ 58,738</u>	<u>\$ 149,974</u>	<u>\$ 178,817</u>	<u>\$ 29,895</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 5,476	\$ 19,856	\$ 25,289	\$ 43
Township Assistance	2,200	9,269	3,934	7,535
Park and Recreation	436	778	500	714
Fire Debt	21,783	53,153	74,927	9
Fiduciary Fund:				
Levy Excess	-	4,967	-	4,967
Totals	<u>\$ 29,895</u>	<u>\$ 88,023</u>	<u>\$ 104,650</u>	<u>\$ 13,268</u>

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

HART TOWNSHIP, WARRICK 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.

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.

HART TOWNSHIP, WARRICK 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
Governmental activities:		
Capital leases:		
Fire fighting equipment	\$ 57,944	\$ 30,030

HART TOWNSHIP, WARRICK COUNTY  
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Township	2007	\$ 2,424
Firefighting	2007	2,110
Township	2008	479
Park and Recreation	2008	306
Debt Service	2008	31,528

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."

ANNUAL REPORT

An annual report for Hart Township was filed for 2007, 2008, and 2009. However, the 2007 and 2009 annual reports were not accurate.

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)

HART TOWNSHIP, WARRICK COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Kelly D. Hall, Trustee. The official concurred with our findings.