

B36217

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

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



FILED
04/20/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Jerry D. Otte	01-01-07 to 12-31-10
Chairman of the Township Board	George Mellencamp	01-01-07 to 12-31-07
	Howard Wentz	01-01-08 to 12-31-08
	Donald Schnitker	01-01-09 to 12-31-09
	George Mellencamp	01-01-10 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Hamilton 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 29, 2010

HAMILTON TOWNSHIP, JACKSON 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	\$ 109,545	\$ 25,241	\$ 31,781	\$ 103,005
Dog	171	-	-	171
Firefighting	27,104	13,628	24,500	16,232
Cumulative Fire	45,507	10,272	49,483	6,296
Township Assistance	59,227	4,431	9,376	54,282
Totals	<u>\$ 241,554</u>	<u>\$ 53,572</u>	<u>\$ 115,140</u>	<u>\$ 179,986</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 103,005	\$ 24,014	\$ 32,083	\$ 94,936
Dog	171	-	-	171
Firefighting	16,232	11,749	24,500	3,481
Cumulative Fire	6,296	8,859	7,500	7,655
Township Assistance	54,282	3,868	13,952	44,198
Totals	<u>\$ 179,986</u>	<u>\$ 48,490</u>	<u>\$ 78,035</u>	<u>\$ 150,441</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 94,936	\$ 30,595	\$ 35,448	\$ 90,083
Dog	171	-	171	-
Firefighting	3,481	24,460	24,500	3,441
Cumulative Fire	7,655	18,622	-	26,277
Township Assistance	44,198	7,686	24,533	27,351
Totals	<u>\$ 150,441</u>	<u>\$ 81,363</u>	<u>\$ 84,652</u>	<u>\$ 147,152</u>

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

HAMILTON TOWNSHIP, JACKSON 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. 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.

HAMILTON TOWNSHIP, JACKSON COUNTY
EXAMINATION RESULT AND COMMENT

INTEREST ON INVESTMENTS

For the past five years, interest earned on the Township's certificate of deposit has been automatically added to the principal and not recorded in the records. As of December 31, 2009, unrecorded interest totaled \$7,631.19.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HAMILTON TOWNSHIP, JACKSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Jerry D. Otte, Trustee. The official concurred with our finding.