

B36222

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

EXAMINATION REPORT
OF
PRAIRIE TOWNSHIP
HENRY COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/21/2010

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
Supplementary Information: Schedule of Long-Term Debt	6
Examination Result and Comment: Appropriations.....	7
Exit Conference.....	8

OFFICIALS

Office

Official

Term

Trustee

Michael Burch

01-01-07 to 12-31-10

Chairman of the
Township Board

Gary Grim

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF PRAIRIE TOWNSHIP, HENRY COUNTY, INDIANA

We have examined the financial information presented herein of Prairie 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 present 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

PRAIRIE TOWNSHIP, HENRY 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	\$ 10,065	\$ 37,711	\$ 38,072	\$ 9,704
Dog	1,742	-	1,742	-
Township Assistance	5,495	7,035	1,232	11,298
Firefighting	30,002	33,983	26,446	37,539
Park Donation	100	-	100	-
Park and Recreation	3,100	9,463	7,877	4,686
Township Debt	9,408	82,374	71,000	20,782
Fiduciary Fund:				
Payroll Withholdings	-	715	715	-
Totals	<u>\$ 59,912</u>	<u>\$ 171,281</u>	<u>\$ 147,184</u>	<u>\$ 84,009</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 9,704	\$ 49,414	\$ 41,683	\$ 17,435
Township Assistance	11,298	1,097	5,377	7,018
Firefighting	37,539	39,050	28,790	47,799
Park and Recreation	4,686	7,743	6,533	5,896
Township Debt	20,782	104,235	77,997	47,020
Fiduciary Fund:				
Payroll Withholdings	-	820	820	-
Totals	<u>\$ 84,009</u>	<u>\$ 202,359</u>	<u>\$ 161,200</u>	<u>\$ 125,168</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 17,435	\$ 52,717	\$ 39,400	\$ 30,752
Township Assistance	7,018	3,216	5,804	4,430
Firefighting	47,799	32,327	32,064	48,062
Park and Recreation	5,896	5,803	3,608	8,091
Township Debt	47,020	85,217	84,996	47,241
Fiduciary Fund:				
Payroll Withholdings	-	820	820	-
Totals	<u>\$ 125,168</u>	<u>\$ 180,100</u>	<u>\$ 166,692</u>	<u>\$ 138,576</u>

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

PRAIRIE TOWNSHIP, HENRY 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.

PRAIRIE TOWNSHIP, HENRY 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 Truck Community Center Building	\$ 218,332	\$ 71,000
Notes and loans payable:		
Trustee's Office Building	<u>32,502</u>	<u>13,996</u>
Total governmental activities debt	<u>\$ 250,834</u>	<u>\$ 84,996</u>

PRAIRIE TOWNSHIP, HENRY COUNTY
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township	2008	<u>\$ 3,473</u>

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."

PRAIRIE TOWNSHIP, HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 23, 2010, with Michael Burch, Trustee. The official concurred with our finding.