

B36225

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

EXAMINATION REPORT
OF
CENTER TOWNSHIP
LAPORTE COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/21/2010

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OFFICIALS

Office

Official

Term

Trustee

Greg Smith

01-01-07 to 12-31-10

Chairman of the
Township Board

Mark Swanson

01-01-07 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER TOWNSHIP, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Center 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 30, 2010

CENTER TOWNSHIP, LAPORTE 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	\$ 94,596	\$ 387,713	\$ 401,778	\$ 80,531
Dog	920	-	920	-
Township Assistance	68,603	550,643	618,701	545
Firefighting	113,966	477	97,228	17,215
Levy Excess	5,701	-	-	5,701
Cumulative Fire	110,628	51,817	50,000	112,445
Riverboat	-	20,511	-	20,511
Fiduciary Fund:				
Payroll Withholdings	-	16,700	16,700	-
Totals	<u>\$ 394,414</u>	<u>\$ 1,027,861</u>	<u>\$ 1,185,327</u>	<u>\$ 236,948</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 80,531	\$ 55,911	\$ 68,625	\$ 67,817
Township Assistance	545	1,770,542	1,799,282	(28,195)
Firefighting	17,215	126,658	115,685	28,188
Levy Excess	5,701	-	-	5,701
Cumulative Fire	112,445	102,577	-	215,022
Riverboat	20,511	19,798	-	40,309
Fiduciary Fund:				
Payroll Withholdings	-	15,629	15,629	-
Totals	<u>\$ 236,948</u>	<u>\$ 2,091,115</u>	<u>\$ 1,999,221</u>	<u>\$ 328,842</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 67,817	\$ 60,613	\$ 69,172	\$ 59,258
Township Assistance	(28,195)	1,931,907	1,895,628	8,084
Firefighting	28,188	89,722	58,477	59,433
Levy Excess	5,701	-	5,701	-
Cumulative Fire	215,022	69,384	6,611	277,795
Riverboat	40,309	25,486	-	65,795
Fiduciary Fund:				
Payroll Withholdings	-	14,234	14,234	-
Totals	<u>\$ 328,842</u>	<u>\$ 2,191,346</u>	<u>\$ 2,049,823</u>	<u>\$ 470,365</u>

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

CENTER TOWNSHIP, LAPORTE 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.

CENTER TOWNSHIP, LAPORTE COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

Note 6. Subsequent Event

LaPorte County Property Taxes

LaPorte County has not completed and settled an approved property tax cycle since the 2005 payable 2006 property tax year. Each subsequent year the County has sent out various forms of provisional bills with the notice that a reconciliation bill will be provided to taxpayers once assessments are approved and certified and final tax rates are established. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the City. It is undeterminable how much property tax collections the City will receive once all the reconciliation bills have been distributed and the collections received. Provisional bills for 2009 were due January 29, 2010. The Township received their distribution on February 11, 2010.

CENTER TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Township Assistance Fund was overdrawn by \$28,196 in 2008.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OFFICIAL BOND

The official bond for the Township Trustee was not filed in the County Recorder's Office for 2008, 2009, and 2010.

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 . . ."

CENTER TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2010, with Greg Smith, Trustee. The official concurred with our findings.