

B36271

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

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



FILED
04/22/2010

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	5-6
Examination Results and Comments: Organization of Boards	7
Official Bond	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Katherine S. Lamborn	01-01-07 to 12-31-10
Chairman of the Township Board	Roy John Williams	01-01-07 to 12-31-08
	Charles Ted Daube	01-01-09 to 12-31-09
	Roy John Williams	01-01-10 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Johnson 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

JOHNSON TOWNSHIP, LAPORTE 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	\$ 24,081	\$ 9,258	\$ 10,109	\$ 23,230
Township Assistance	14,778	428	69	15,137
Firefighting	14,504	4,292	6,610	12,186
Riverboat	3,375	8,205	5,000	6,580
Levy Excess	291	155	291	155
Totals	<u>\$ 57,029</u>	<u>\$ 22,338</u>	<u>\$ 22,079</u>	<u>\$ 57,288</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 23,230	\$ 5,127	\$ 6,634	\$ 21,723
Township Assistance	15,137	464	111	15,490
Firefighting	12,186	8,289	6,500	13,975
Riverboat	6,580	7,919	-	14,499
Levy Excess	155	-	-	155
Totals	<u>\$ 57,288</u>	<u>\$ 21,799</u>	<u>\$ 13,245</u>	<u>\$ 65,842</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 21,723	\$ 11,921	\$ 7,317	\$ 26,327
Township Assistance	15,490	1,214	897	15,807
Firefighting	13,975	8,397	7,500	14,872
Riverboat	14,499	10,194	6,000	18,693
Levy Excess	155	-	-	155
Totals	<u>\$ 65,842</u>	<u>\$ 31,726</u>	<u>\$ 21,714</u>	<u>\$ 75,854</u>

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

JOHNSON 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.

JOHNSON 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 Township. It is undeterminable how much property tax collections the Township will receive once all the reconciliation bills have been distributed and the collections received. Provisional bills for taxes payable in 2009 were due January 29, 2010. The Township received their distribution on February 11, 2010.

JOHNSON TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

ORGANIZATION OF BOARDS

The minutes presented for examination did not contain information related to the annual meeting of the Township Board or the Township Board of Finance. The Boards were not reorganized with the election of officers in January of 2009 or 2010 as required.

IC 36-6-6-7(a) states: "The legislative body shall meet at the office of the executive on the first Tuesday after the first Monday in January of each year. At this meeting the legislative body shall elect one (1) member as chairman for that year and one (1) member as secretary for that year.

IC 5-13-7-6(a) states in part: "Each local board of finance shall meet annually after the first Monday and on or before the last day of January. At the annual meeting the board of finance shall . . . Elect, from the board's membership . . . a president; and a secretary . . . The officers elected hold office until the officers' successors are elected and qualified."

OFFICIAL BOND

The Trustee's official bond was not filed in the Office of the County Recorder for 2008 or 2009.

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 . . ."

JOHNSON TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2010, with Katherine S. Lamborn, Trustee. The official concurred with our findings.