

B36320

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

EXAMINATION REPORT
OF
WAYNE TOWNSHIP
NOBLE COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/23/2010

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
Examination Result and Comment:	
Overdrawn Cash Balances.....	6
Exit Conference.....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Christopher McCoy	01-01-07 to 12-31-10
Chairman of the Township Board	Jack Frederick	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 WAYNE TOWNSHIP, NOBLE COUNTY, INDIANA

We have examined the financial information presented herein of Wayne 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 25, 2010

WAYNE TOWNSHIP, NOBLE 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	\$ 6,477	\$ 39,755	\$ 50,869	\$ (4,637)
Township Assistance	11,645	31,855	19,780	23,720
Firefighting	7,141	13,134	24,374	(4,099)
Park and Recreation	5,019	4,206	8,780	445
Dog	755	-	755	-
Fiduciary Fund:				
Payroll Withholdings	(213)	2,848	2,848	(213)
Totals	<u>\$ 30,824</u>	<u>\$ 91,798</u>	<u>\$ 107,406</u>	<u>\$ 15,216</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ (4,637)	\$ 101,193	\$ 44,521	\$ 52,035
Township Assistance	23,720	57,949	32,743	48,926
Firefighting	(4,099)	39,012	26,500	8,413
Park and Recreation	445	10,148	9,000	1,593
Fiduciary Fund:				
Payroll Withholdings	(213)	2,848	2,548	87
Totals	<u>\$ 15,216</u>	<u>\$ 211,150</u>	<u>\$ 115,312</u>	<u>\$ 111,054</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 52,035	\$ 95,901	\$ 41,088	\$ 106,848
Township Assistance	48,926	36,165	27,329	57,762
Firefighting	8,413	35,245	25,000	18,658
Park and Recreation	1,593	6,248	9,000	(1,159)
Rainy Day	-	1,168	-	1,168
Fiduciary Fund:				
Payroll Withholdings	87	2,853	3,149	(209)
Totals	<u>\$ 111,054</u>	<u>\$ 177,580</u>	<u>\$ 105,566</u>	<u>\$ 183,068</u>

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

WAYNE TOWNSHIP, NOBLE 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.

WAYNE TOWNSHIP, NOBLE COUNTY
EXAMINATION RESULT AND COMMENT

OVERDRAWN CASH BALANCES

The cash balances of the Township, Firefighting, and the Payroll Withholdings Funds in 2007 and the Park and Recreation and the Payroll Withholdings Funds in 2009 were overdrawn.

The cash 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)

WAYNE TOWNSHIP, NOBLE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Lori McCoy, Deputy Trustee. The official concurred with our finding.