

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

EXAMINATION REPORT  
OF  
STONY CREEK TOWNSHIP  
MADISON COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
04/27/2010



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OFFICIALS

Office

Official

Term

Trustee

Deena Watkins

01-01-07 to 12-31-10

Chairman of the  
Township Board

Terry A. Wilson

01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF STONY CREEK TOWNSHIP, MADISON COUNTY, INDIANA

We have examined the financial information presented herein of Stony Creek Township (Township), for the period of January 1, 2008 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, 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

April 8, 2010

STONY CREEK TOWNSHIP, MADISON COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ (2,938)	\$ 31,788	\$ 24,091	\$ 4,759
Township Assistance	19,875	15,159	8,293	26,741
Firefighting	42,690	72,340	70,446	44,584
Cumulative Fire	31,222	29,871	13,131	47,962
Levy Excess	338	-	338	-
	<u>91,187</u>	<u>149,158</u>	<u>116,299</u>	<u>124,046</u>
Totals	<u>\$ 91,187</u>	<u>\$ 149,158</u>	<u>\$ 116,299</u>	<u>\$ 124,046</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 4,759	\$ 20,968	\$ 22,102	\$ 3,625
Township Assistance	26,741	11,042	10,283	27,500
Firefighting	44,584	58,243	58,993	43,834
Cumulative Fire	47,962	17,604	12,551	53,015
	<u>124,046</u>	<u>107,857</u>	<u>103,929</u>	<u>127,974</u>
Totals	<u>\$ 124,046</u>	<u>\$ 107,857</u>	<u>\$ 103,929</u>	<u>\$ 127,974</u>

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

STONY CREEK TOWNSHIP, MADISON 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).

STONY CREEK TOWNSHIP, MADISON 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. Restatements and Reclassifications

For the year ended December 31, 2007, certain changes have been made to the financial information to more appropriately reflect financial activity of the Township. The following schedule presents a summary of restated beginning balances by fund. The prior period adjustment represents an error in the prior report.

Fund	Balance as Reported December 31, 2007	Prior Period Adjustments	Balance as Restated January 1, 2008
Firefighting	\$ 46,690	\$ (4,000)	\$ 42,690

STONY CREEK TOWNSHIP, MADISON COUNTY  
EXAMINATION RESULT AND COMMENT

PENALTIES, INTEREST, AND OTHER CHARGES

Information presented for examination indicates that, in some cases, amounts payable to vendors and other suppliers of goods and services are not being paid timely. Several nominal late fees were paid to Embarq Telephone Company during the examination period.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

STONY CREEK TOWNSHIP, MADISON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 8, 2010, with Deena Watkins, Trustee. The official concurred with our finding.