

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

EXAMINATION REPORT
OF
BROWN TOWNSHIP
HENDRICKS COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/27/2010

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: Bank Account Reconciliations	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Joyce McClain	01-01-07 to 12-31-10
Chairman of the Township Board	Steven Ostermeier	01-01-07 to 12-31-07
	John Gootee	01-01-08 to 12-31-08
	Robert Garner	01-01-09 to 08-31-09
	John Gootee	09-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BROWN TOWNSHIP, HENDRICKS COUNTY, INDIANA

We have examined the financial information presented herein of Brown 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. This schedule 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 29, 2010

BROWN TOWNSHIP, HENDRICKS 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	\$ 72,818	\$ 57,909	\$ 36,014	\$ 94,713
Dog	1,252	-	1,252	-
Township Assistance	74,167	30,245	9,379	95,033
Levy Excess	328	-	-	328
Fire Equipment Debt	62,982	234,151	190,933	106,200
Rainy Day	-	2,842	-	2,842
Fiduciary Fund:				
Payroll Withholdings	333	4,534	4,147	720
Totals	<u>\$ 211,880</u>	<u>\$ 329,681</u>	<u>\$ 241,725</u>	<u>\$ 299,836</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 94,713	\$ 94,605	\$ 39,441	\$ 149,877
Township Assistance	95,033	8,140	7,336	95,837
Levy Excess	328	-	-	328
Fire Equipment Debt	106,200	124,528	211,325	19,403
Rainy Day	2,842	-	-	2,842
Fiduciary Fund:				
Payroll Withholdings	720	4,620	4,613	727
Totals	<u>\$ 299,836</u>	<u>\$ 231,893</u>	<u>\$ 262,715</u>	<u>\$ 269,014</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 149,877	\$ 100,502	\$ 37,001	\$ 213,378
Township Assistance	95,837	2,657	36,210	62,284
Levy Excess	328	-	328	-
Fire Equipment Debt	19,403	263,057	195,492	86,968
Rainy Day	2,842	10,194	-	13,036
Fiduciary Fund:				
Payroll Withholdings	727	4,135	4,226	636
Totals	<u>\$ 269,014</u>	<u>\$ 380,545</u>	<u>\$ 273,257</u>	<u>\$ 376,302</u>

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

BROWN TOWNSHIP, HENDRICKS 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

Normally, 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.

BROWN TOWNSHIP, HENDRICKS 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:		
North & Downtown Fire & Police Stations	\$ 2,280,000	\$ 322,500
Administration and Training Facility	1,975,000	189,000
Fire Station # 3	<u>2,120,000</u>	<u>202,000</u>
Total governmental activities debt	<u>\$ 6,375,000</u>	<u>\$ 713,500</u>

BROWN TOWNSHIP, HENDRICKS COUNTY
EXAMINATION RESULT AND COMMENT

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for audit or were incorrect.

IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

BROWN TOWNSHIP, HENDRICKS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Joyce McClain, Trustee. The official concurred with our findings.