

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

EXAMINATION REPORT

OF

SCIPIO TOWNSHIP

ALLEN COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED

05/03/2010

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 Results and Comments:	
Board Minutes.....	6
Annual Report.....	6
Prescribed Forms	6
Appropriations.....	7
Bank Reconciliations	7
Exit Conference.....	8

OFFICIALS

Office

Official

Term

Trustee

Marty Dager

01-01-07 to 12-31-10

Chairman of the
Township Board

Robert Kurtz

01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SCIPIO TOWNSHIP, ALLEN COUNTY, INDIANA

We have examined the financial information presented herein of Scipio 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 20, 2010

SCIPIO TOWNSHIP, ALLEN 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	\$ 15,799	\$ 6,641	\$ 6,524	\$ 15,916
Township Assistance	17,602	-	-	17,602
Firefighting	22,396	6,052	4,000	24,448
Levy Excess	206	-	-	206
	<u>56,003</u>	<u>12,693</u>	<u>10,524</u>	<u>58,172</u>
Totals	<u>\$ 56,003</u>	<u>\$ 12,693</u>	<u>\$ 10,524</u>	<u>\$ 58,172</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 15,916	\$ 7,612	\$ 6,466	\$ 17,062
Township Assistance	17,602	-	-	17,602
Firefighting	24,448	6,375	10,541	20,282
Levy Excess	206	-	-	206
	<u>58,172</u>	<u>13,987</u>	<u>17,007</u>	<u>55,152</u>
Totals	<u>\$ 58,172</u>	<u>\$ 13,987</u>	<u>\$ 17,007</u>	<u>\$ 55,152</u>

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

SCIPIO TOWNSHIP, ALLEN 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.

SCIPIO TOWNSHIP, ALLEN COUNTY
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

Not all minutes of meetings of the governing body were available for examination.

IC 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

ANNUAL REPORT

The Township did not file a Township Annual Report, Form 15, for the year 2009.

IC 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

PRESCRIBED FORMS

The total all funds column in ledger did not agree with the individual fund columns. A similar comment appeared in prior Report B32615.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SCIPIO TOWNSHIP, ALLEN COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

APPROPRIATIONS

The Indiana Department of Local Government Finance's Budget Order for Pay 2008 for the funds listed below states in part, "Budget not properly appropriated. Budget not approved. Appropriating body failed to advertise/adopt. Rate approved." No 2009 budget order was presented for examination or filed with County Auditor. A similar comment appeared in prior Report B32615.

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Township	2008	\$ 6,524
Firefighting	2008	4,000
Township	2009	6,466
Firefighting	2009	10,541

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for examination or were incorrect. A similar comment appeared in prior Report B32615.

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)

SCIPIO TOWNSHIP, ALLEN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 20, 2010, with Marty Dager, Trustee.