

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

EXAMINATION REPORT
OF
HARRISON TOWNSHIP
WAYNE COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
05/10/2010

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OFFICIALS

Office

Official

Term

Trustee

Janet Endsley

01-01-07 to 12-31-10

Chairman of the
Township Board

Gene Fagan

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 HARRISON TOWNSHIP, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of Harrison 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.

Reported cash balances at December 31, 2008, did not agree with reconciled cash balances. Reported cash balances at December 31, 2008, totaled \$36,591 and reconciled cash balances totaled \$41,676. Reported cash balances at December 31, 2009, did not agree with reconciled cash balances. Reported cash balances at December 31, 2009, totaled \$62,494 and reconciled cash balances totaled \$49,786.

In our opinion, as described in the preceding paragraph, the financial information referred to above does not present 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 1, 2010

HARRISON TOWNSHIP, WAYNE 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	\$ 12,653	\$ 9,710	\$ 7,598	\$ 14,766
Township Assistance	8,282	1,233	3,515	6,000
Firefighting	7,355	20,880	15,378	12,857
Park and Recreation	1,634	900	250	2,284
Additional Township Assist.	-	684	-	684
Totals	<u>\$ 29,924</u>	<u>\$ 33,407</u>	<u>\$ 26,741</u>	<u>\$ 36,591</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 33,092	\$ 9,161	\$ 8,027	\$ 34,226
Township Assistance	5,999	8,062	12,685	1,376
Firefighting	12,857	25,271	13,613	24,515
Park and Recreation	2,434	92	150	2,377
Additional Township Assist.	-	-	-	-
Totals	<u>\$ 54,382</u>	<u>\$ 42,586</u>	<u>\$ 34,474</u>	<u>\$ 62,494</u>

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

HARRISON TOWNSHIP, WAYNE 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.

HARRISON TOWNSHIP, WAYNE COUNTY
EXAMINATION RESULT AND COMMENT

FINANCIAL REPORT OPINION MODIFICATIONS/CONDITION OF RECORDS

Reported cash balances at December 31, 2008, did not agree with reconciled cash balances. Reported cash balances at December 31, 2008, totaled \$36,591 and reconciled cash balances totaled \$41,676. Reported cash balances at December 31, 2009, did not agree with reconciled cash balances. Reported cash balances at December 31, 2009, totaled \$62,494 and reconciled cash balances totaled \$49,786. The January 1, 2009 balances do not agree with the December 31, 2008 balances. The January 1, 2009 balance in the Township Fund was \$33,092 and the December 31, 2008 balance was \$14,766. The January 1, 2009 balance in the Recreation Fund was \$2,434 and the December 31, 2008 balance was \$2,284. Therefore, the State Board of Accounts was unable to provide an unqualified opinion on the Independent Auditors' Report for the financial statements.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

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."

HARRISON TOWNSHIP, WAYNE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 1, 2010, with Janet Endsley, Trustee. The official concurred with our finding.