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

EXAMINATION REPORT
OF
CLAY TOWNSHIP
DEARBORN COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
05/12/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Jerry R. Caldwell	01-01-07 to 12-31-10
Chairman of the Township Board	Scott A. Fortner Martin Hon	01-01-08 to 12-31-09 01-01-10 to 12-31-10



ACCOUNTANT'S REPORT
AN EQUAL OPPORTUNITY EMPLOYER

STATE OF INDIANA

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TO: THE OFFICIALS OF CLAY TOWNSHIP, DEARBORN COUNTY, INDIANA

We have examined the financial information presented herein of Clay 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 13, 2010

CLAY TOWNSHIP, DEARBORN 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 14,742	\$ 29,569	\$ 23,194	\$ 21,117
Township Assistance	1,693	7,045	5,784	2,954
Firefighting	16,541	70,246	43,823	42,964
Rainy Day	4,009	1,461	-	5,470
Fiduciary Fund:				
Payroll Withholdings	656	1,889	1,889	656
Totals	<u>\$ 37,641</u>	<u>\$ 110,210</u>	<u>\$ 74,690</u>	<u>\$ 73,161</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 21,117	\$ 21,374	\$ 23,224	\$ 19,267
Township Assistance	2,954	7,927	5,048	5,833
Firefighting	42,964	42	24,412	18,594
Rainy Day	5,470	542	-	6,012
Fiduciary Fund:				
Payroll Withholdings	656	1,889	1,889	656
Totals	<u>\$ 73,161</u>	<u>\$ 31,774</u>	<u>\$ 54,573</u>	<u>\$ 50,362</u>

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

CLAY TOWNSHIP, DEARBORN 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). 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.

CLAY TOWNSHIP, DEARBORN COUNTY
EXAMINATION RESULT AND COMMENT

ANNUAL REPORT NOT FILED

The 2009 Township Annual Report (Form 15) that reports the Township's financial activity and cash and investment balances was not filed with the Indiana State Board of Accounts.

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."

CLAY TOWNSHIP, DEARBORN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 13, 2010, with Jerry R. Caldwell, Trustee.
The official concurred with our finding.