

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

EXAMINATION REPORT  
OF  
RIPLEY TOWNSHIP  
MONTGOMERY COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**

05/12/2010



## 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 Results and Comments:	
Compensation and Benefits .....	7
Penalties, Interest, and Other Charges .....	7
Exit Conference.....	8

OFFICIALS

Office

Official

Term

Trustee

James H. Spence

01-01-07 to 12-31-10

Chairman of the  
Township Board

Stanton Mullett

01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RIPLEY TOWNSHIP, MONTGOMERY COUNTY, INDIANA

We have examined the financial information presented herein of Ripley 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 presents 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. It 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

April 6, 2010

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL 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	\$ 39,389	\$ 12,854	\$ 18,723	\$ 33,520
Township Assistance	31,223	5,375	7,406	29,192
Firefighting	40,341	38,354	26,932	51,763
Fire Loan	89,855	-	67,105	22,750
Fire Debt	47,397	6,629	33,183	20,843
Cumulative Fire	13,005	1,890	-	14,895
Totals	<u>\$ 261,210</u>	<u>\$ 65,102</u>	<u>\$ 153,349</u>	<u>\$ 172,963</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 33,520	\$ 55,870	\$ 17,614	\$ 71,776
Township Assistance	29,192	16,640	8,479	37,353
Firefighting	51,763	57,858	45,516	64,105
Fire Loan	22,750	-	22,750	-
Fire Debt	20,843	25,952	36,542	10,253
Cumulative Fire	14,895	1,085	-	15,980
Totals	<u>\$ 172,963</u>	<u>\$ 157,405</u>	<u>\$ 130,901</u>	<u>\$ 199,467</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 71,776	\$ 45,594	\$ 41,654	\$ 75,716
Township Assistance	37,353	12,393	10,070	39,676
Firefighting	64,105	40,744	27,261	77,588
Fire Debt	10,253	71,931	56,115	26,069
Cumulative Fire	15,980	1,048	-	17,028
Rainy Day	-	1,893	-	1,893
Totals	<u>\$ 199,467</u>	<u>\$ 173,603</u>	<u>\$ 135,100</u>	<u>\$ 237,970</u>

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

RIPLEY TOWNSHIP, MONTGOMERY 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.

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.

RIPLEY TOWNSHIP, MONTGOMERY 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:		
Notes and loans payable		
Fire Truck Purchase	\$ 47,963	\$ 33,183

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
EXAMINATION RESULTS AND COMMENTS

COMPENSATION AND BENEFITS

Township officials and employees received payments for 2007, 2008, and 2009, for services which were not included on a salary resolution Prescribed Form 17. A similar comment appeared in prior Report B30129.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 17)

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$22.19 were paid to the Internal Revenue Service on October 14, 2009, for the period ended December 31, 2007. A similar comment appeared in prior Report B30129.

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)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

RIPLEY TOWNSHIP, MONTGOMERY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 6, 2010, with James H. Spence, Trustee. The officials concurred with our findings.