

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

EXAMINATION REPORT
OF
FRANKLIN TOWNSHIP
JOHNSON COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
05/13/2010

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	5-6
Examination Result and Comment:	
Resolutions	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Cecelia Campbell	01-01-08 to 12-31-10
Chairman of the Township Board	Alice J. Fleener Brian E. Resinger	01-01-08 to 09-01-08 09-02-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FRANKLIN TOWNSHIP, JOHNSON COUNTY, INDIANA

We have examined the financial information presented herein of Franklin 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

FRANKLIN TOWNSHIP, JOHNSON 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	\$ 159,305	\$ 25,503	\$ 44,388	\$ 140,420
Township Assistance	179,716	199,454	149,523	229,647
Firefighting	158,885	37,188	47,000	149,073
Rainy Day	<u>12,456</u>	<u>9,888</u>	<u>13,158</u>	<u>9,186</u>
Totals	<u>\$ 510,362</u>	<u>\$ 272,033</u>	<u>\$ 254,069</u>	<u>\$ 528,326</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 140,420	\$ 22,533	\$ 39,279	\$ 123,674
Township Assistance	229,647	202,734	169,146	263,235
Firefighting	149,073	14,459	55,000	108,532
Park and Recreation	<u>9,186</u>	<u>21,664</u>	<u>4,226</u>	<u>26,624</u>
Totals	<u>\$ 528,326</u>	<u>\$ 261,390</u>	<u>\$ 267,651</u>	<u>\$ 522,065</u>

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

FRANKLIN TOWNSHIP, JOHNSON 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.

FRANKLIN TOWNSHIP, JOHNSON COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

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.

Note 6. Subsequent Events

The Township received money from Federal Emergency Management Agency in 2010 for expenses incurred from the flood of 2008.

The City of Franklin is seeking increased funding from the Township to provide fire protection services.

FRANKLIN TOWNSHIP, JOHNSON COUNTY
EXAMINATION RESULT AND COMMENT

RESOLUTIONS

The Township has a resolution concerning the Rainy Day Fund which provides the Rainy Day Fund can be used if any fund gets low, on approval of an additional appropriation. However, the Township did not obtain an additional appropriation in 2008 or 2009 for expenses paid from the Rainy Day Fund in connection with the flood of 2008. The Township Board minutes did indicate that the Township Board approved to use the Rainy Day Fund for these expenses.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

IC 36-1-8-5.1 states in part (c): "The rainy day fund is subjected to the same appropriation process as other funds that receive tax money."

FRANKLIN TOWNSHIP, JOHNSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 20, 2010, with Cecelia Campbell, Trustee.