

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

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



FILED
05/13/2010

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OFFICIALS

Office

Official

Term

Trustee

David Dwyer

01-01-08 to 12-31-10

Chairman of the
Township Board

Sharon Voelz
Dana Parks
Sharon Voelz

01-01-08 to 12-31-08
01-01-09 to 12-31-09
01-01-10 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, BARTHOLOMEW 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.

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.

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

March 30, 2010

HARRISON TOWNSHIP, BARTHOLOMEW 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	\$ 94,276	\$ 56,500	\$ 44,950	\$ 105,826
Township Assistance	102,242	13,486	20,099	95,629
Firefighting	6,426	194,985	134,886	66,525
Levy Excess	2,720	-	2,720	-
Fire Equipment Debt	26,400	67,671	57,498	36,573
Emergency Fire Loan	-	79,668	-	79,668
Cumulative Fire	46,919	41,172	9,545	78,546
Fiduciary Fund:				
Payroll	-	22,733	22,733	-
Totals	<u>\$ 278,983</u>	<u>\$ 476,215</u>	<u>\$ 292,431</u>	<u>\$ 462,767</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 105,826	\$ 45,527	\$ 49,299	\$ 102,054
Township Assistance	95,629	13,807	26,095	83,341
Firefighting	66,525	161,315	141,565	86,275
Rainy Day	-	2,149	-	2,149
Fire Equipment Debt	36,573	-	36,573	-
Emergency Fire Loan	79,668	49,428	102,582	26,514
Cumulative Fire	78,546	28,248	24,572	82,222
Fiduciary Fund:				
Payroll	-	24,307	24,307	-
Totals	<u>\$ 462,767</u>	<u>\$ 324,781</u>	<u>\$ 404,993</u>	<u>\$ 382,555</u>

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

HARRISON TOWNSHIP, BARTHOLOMEW 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.

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, BARTHOLOMEW 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 Operating Loan 2008	\$ 120,000	\$ 64,260
Fire Operating Loan 2009	<u>80,000</u>	<u>-</u>
Total governmental activities debt	<u>\$ 200,000</u>	<u>\$ 64,260</u>

HARRISON TOWNSHIP, BARTHOLOMEW COUNTY
EXAMINATION RESULT AND COMMENT

CONDITION OF RECORDS

A new checking account was established and \$100,000 was transferred from the Township's original checking account. The transaction was posted as a regular expenditure, which resulted in the cash balance being decreased by \$100,000. As a result, the cash balance for the Township Fund was understated by \$100,000 from September 18, 2009 through December 31, 2009. The account was closed and the funds were posted back to the Township Fund as of January 4, 2010.

The 2009 Schedule of Receipts, Disbursements and Cash and Investment Balances was adjusted for the \$100,000.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HARRISON TOWNSHIP, BARTHOLOMEW COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 21, 2010, with David Dwyer, Trustee.