

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
SALT CREEK TOWNSHIP
MONROE COUNTY, INDIANA
January 1, 2000 to December 31, 2004



FILED
7/20/06

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Stanley Hawkins	01-01-99 to 12-31-06
Chairman of the Township Board	Paula Boener	01-01-00 to 12-31-00
	Ronald Carter	01-01-01 to 12-31-01
	Larry Chandler	01-01-02 to 12-31-02
	Dustin Hawkins	01-01-03 to 12-31-05
	Ronald Carter	01-01-06 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SALT CREEK TOWNSHIP, MONROE COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Salt Creek Township (Township), for the period of January 1, 2000 to December 31, 2004. The Township's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2000, 2001, 2002, 2003, and 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 6, 2006

SALT CREEK TOWNSHIP, MONROE COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2000, 2001, 2002, 2003, And 2004

	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
Governmental Funds:				
General	\$ 24,462	\$ 22,053	\$ 15,502	\$ 31,013
Dog	354	48	220	182
Township Assistance	15,020	143,416	142,216	16,220
Firefighting	30,153	18,459	10,000	38,612
Cemetery	3,325	4,345	4,623	3,047
Totals	<u>\$ 73,314</u>	<u>\$ 188,321</u>	<u>\$ 172,561</u>	<u>\$ 89,074</u>

	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
Governmental Funds:				
General	\$ 31,013	\$ 21,643	\$ 17,051	\$ 35,605
Dog	182	34	-	216
Township Assistance	16,220	1,770	745	17,245
Firefighting	38,612	12,481	20,000	31,093
Cemetery	3,047	3,730	969	5,808
Totals	<u>\$ 89,074</u>	<u>\$ 39,658</u>	<u>\$ 38,765</u>	<u>\$ 89,967</u>

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 35,605	\$ 25,181	\$ 17,467	\$ 43,319
Dog	216	24	-	240
Township Assistance	17,245	1,903	375	18,773
Firefighting	31,093	22,771	48,445	5,419
Cemetery	5,808	9,308	2,093	13,023
Totals	<u>\$ 89,967</u>	<u>\$ 59,187</u>	<u>\$ 68,380</u>	<u>\$ 80,774</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 43,319	\$ 22,735	\$ 17,342	\$ 48,712
Dog	240	30	-	270
Township Assistance	18,773	1,213	787	19,199
Firefighting	5,419	21,793	-	27,212
Cemetery	13,023	5,290	6,602	11,711
Totals	<u>\$ 80,774</u>	<u>\$ 51,061</u>	<u>\$ 24,731</u>	<u>\$ 107,104</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 48,712	\$ 21,544	\$ 17,763	\$ 52,493
Dog	270	30	-	300
Township Assistance	19,199	2,294	3,750	17,743
Firefighting	27,212	22,184	46,246	3,150
Cemetery	11,711	8,876	721	19,866
Totals	<u>\$ 107,104</u>	<u>\$ 54,928</u>	<u>\$ 68,480</u>	<u>\$ 93,552</u>

The accompanying notes are an integral part of the schedules.

SALT CREEK TOWNSHIP, MONROE COUNTY
NOTES TO SCHEDULES

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.

Note 6. Long-Term Debt

The Township has entered into a capital lease for a Fire Truck. The outstanding principal at December 31, 2004, was \$320,947.

SALT CREEK TOWNSHIP, MONROE COUNTY
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS

The following prescribed or approved form was not always in use, Form 17, Resolution Recommending Salaries of Township Officers and Employees.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONTRACTS

Records presented for audit indicate payments were made for cemetery mowing without a contract.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONFLICT OF INTEREST DISCLOSURE

Evelyn G. Hawkins, Clerk, is the spouse of Stanley Hawkins, Trustee. A Uniform Conflict of Interest Disclosure Statement does not appear to have been filed.

Indiana Code 35-44-1-3 states in part:

"(a) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony . . ."

"(c) This section does not prohibit a public servant from having a pecuniary interest in or deriving a profit from a contract or purchase connected with the governmental entity served . . . (3) if the public servant; (A) is an elected public servant . . . and (B) makes a disclosure under subsection (d)(1) through (d)(6)."

"(d) A disclosure required by this section must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity prior to final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) . . . the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase . . ."

"(g) A public servant has a pecuniary interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (1) the public servant; or (2) a dependent of the public servant who: (A) is under the direct or indirect administrative control of the public servant; or (B) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by the public servant . . ."

"(k) As used in this section, 'dependent' means any of the following: (1) The spouse of a public servant. (2) A child, stepchild, or adoptee (as defined in IC 31-3-4-1) of a public servant who is: (A) unemancipated; and (B) less than eighteen (18) years of age. (3) Any individual more than one-half (½) of whose support is provided during a year by the public servant."

SALT CREEK TOWNSHIP, MONROE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 12, 2006, with Evelyn G. Hawkins, Clerk. The official concurred with our findings.