

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

EXAMINATION REPORT

OF

BAUGO TOWNSHIP

ELKHART COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**

08/16/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Peggy J. Norwood	01-01-03 to 12-31-06
Chairman of the Township Board	Ricky Secor Elnora Ferro	01-01-04 to 12-31-05 01-01-06 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BAUGO TOWNSHIP, ELKHART COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Baugo Township (Township), for the period of January 1, 2004 to December 31, 2005. 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, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 26, 2006

BAUGO TOWNSHIP, ELKHART 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 22,572	\$ 71,917	\$ 63,798	\$ 30,691
Dog	2,403	2,048	2,118	2,333
Township Assistance	98,466	32,307	30,030	100,743
Firefighting	69	203,862	201,100	2,831
Park and Recreation	56	4,266	4,000	322
Emergency Medical Services	26,208	157,450	168,610	15,048
Fire Debt	1	71,350	69,681	1,670
Fire Building Debt	5	202,752	150,707	52,050
Cumulative Fire	40,499	279,180	85,027	234,652
Fiduciary Fund:				
Payroll Withholdings	453	4,614	4,565	502
Totals	<u>\$ 190,732</u>	<u>\$ 1,029,746</u>	<u>\$ 779,636</u>	<u>\$ 440,842</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 30,691	\$ 88,744	\$ 69,676	\$ 49,759
Dog	2,333	2,254	2,041	2,546
Township Assistance	100,743	2,833	32,897	70,679
Firefighting	2,831	144,026	146,000	857
Park and Recreation	322	3,541	3,772	91
Emergency Medical Services	15,048	137,773	148,500	4,321
Fire Debt	1,670	-	1,670	-
Fire Building Debt	52,050	113,593	108,742	56,901
Cumulative Fire	234,652	125,463	15,881	344,234
Fiduciary Fund:				
Payroll Withholdings	502	4,137	4,186	453
Totals	<u>\$ 440,842</u>	<u>\$ 622,364</u>	<u>\$ 533,365</u>	<u>\$ 529,841</u>

The accompanying notes are an integral part of the schedules.

BAUGO TOWNSHIP, ELKHART 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, 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. 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, except collections at the end of 2003 were distributed in 2004.

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 loan for a fire station. The outstanding principal at December 31, 2005, was \$105,886.

Note 7. Subsequent Event

The EMS Ambulance Service, Inc. is planning to offer Advanced Life Support Service beginning July or August 2006. The township contracts with them for the township's ambulance service.

BAUGO TOWNSHIP, ELKHART COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2006, with Peggy J. Norwood, Trustee. Our examination disclosed no material items that warrant comment at this time.