

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

EXAMINATION REPORT
OF
ROCK CREEK TOWNSHIP
CARROLL COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
09/15/2006

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OFFICIALS

Office

Official

Term

Trustee

Brian G. Nipple

01-01-03 to 12-31-06

Chairman of the
Township Board

Anthony A. Puller

01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF ROCK CREEK TOWNSHIP, CARROLL COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Rock Creek 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

August 8, 2006

ROCK CREEK TOWNSHIP, CARROLL COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 27,762	\$ 46,281	\$ 21,885	\$ 52,158
Dog	348	43	48	343
Township Assistance	8,526	1,807	589	9,744
Firefighting	14,540	24,186	22,500	16,226
Park and Recreation	8,754	5,200	4,389	9,565
Rainy Day	-	870	-	870
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 59,930</u>	<u>\$ 78,387</u>	<u>\$ 49,411</u>	<u>\$ 88,906</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 52,158	\$ 15,243	\$ 22,756	\$ 44,645
Dog	343	78	43	378
Township Assistance	9,744	3,831	1,344	12,231
Firefighting	16,226	18,825	15,127	19,924
Park and Recreation	9,565	9,109	2,871	15,803
Rainy Day	870	-	-	870
Levy Excess	-	456	-	456
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 88,906</u>	<u>\$ 47,542</u>	<u>\$ 42,141</u>	<u>\$ 94,307</u>

The accompanying notes are an integral part of the schedules.

ROCK CREEK TOWNSHIP, CARROLL 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.

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.

ROCK CREEK TOWNSHIP, CARROLL COUNTY
EXAMINATION RESULTS AND COMMENTS

CONTRACTS

Records presented for audit indicate payments were made to Jackson Township Youth Services for summer recreation programs in 2005 without a contract. Additionally, payments were made to Carroll County Food Pantry without a contract.

Indiana Code 36-6-4-8 states in part: ". . . With the consent of the township legislative body, the executive may contract with corporations for health and community services not specifically provided by another governmental unit . . ."

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)

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

COMPENSATION AND BENEFITS

Brian G. Nipple, Trustee, received \$125 in payments for the year 2005 which were not included in the payroll system or on the salary resolution.

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)

ROCK CREEK TOWNSHIP, CARROLL COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 10, 2006, with Brian G. Nipple, Trustee. The official concurred with our findings.