

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

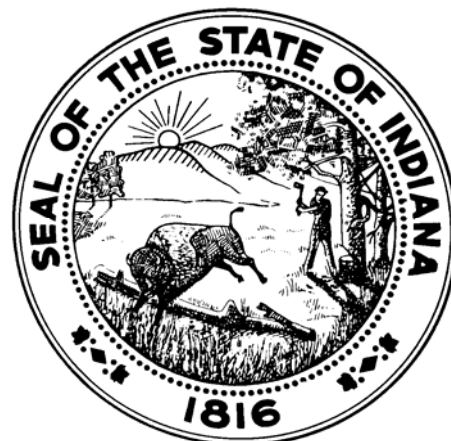
EXAMINATION REPORT

OF

CLINTON TOWNSHIP

CASS COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**

11/06/2006



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OFFICIALS

Office

Official

Term

Trustee

Duane Deitrich

01-01-03 to 12-31-06

Chairman of the  
Township Board

Daryl Deitrich

01-01-04 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CLINTON TOWNSHIP, CASS COUNTY, INDIANA

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

October 12, 2006

CLINTON TOWNSHIP, CASS 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	\$ 48,986	\$ 19,870	\$ 19,884	\$ 48,972
Dog	342	194	42	494
Township Assistance	12,758	605	1,673	11,690
Firefighting	61,526	21,980	16,581	66,925
Cumulative Fire	22,985	7,682	10,000	20,667
Fire Donation	11,879	75	-	11,954
Rainy Day	-	1,339	-	1,339
Totals	<u>\$ 158,476</u>	<u>\$ 51,745</u>	<u>\$ 48,180</u>	<u>\$ 162,041</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 48,972	\$ 20,335	\$ 15,183	\$ 54,124
Dog	494	142	194	442
Township Assistance	11,690	1,090	415	12,365
Firefighting	66,925	29,876	12,025	84,776
Cumulative Fire	20,667	12,057	-	32,724
Fire Donation	11,954	100	-	12,054
Rainy Day	1,339	-	-	1,339
Totals	<u>\$ 162,041</u>	<u>\$ 63,600</u>	<u>\$ 27,817</u>	<u>\$ 197,824</u>

The accompanying notes are an integral part of the schedules.

CLINTON TOWNSHIP, CASS 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.

CLINTON TOWNSHIP, CASS COUNTY  
EXAMINATION RESULTS AND COMMENTS

INTEREST ON INVESTMENTS

Interest earned on investments in some instances was automatically added to the principal and not recorded in the records.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for audit.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CLINTON TOWNSHIP, CASS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 12, 2006, with Duane Deitrich, Trustee. The official concurred with our findings.