

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

EXAMINATION REPORT

OF

MIAMI TOWNSHIP

CASS COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED

11/30/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules	5
Examination Results and Comments:	
Official Bonds.....	6
Overdrawn Cash Balance.....	6
Firefighting Contracts.....	6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Kevin E. Lopper

01-01-04 to 12-31-06

Chairman of the
Township Board

Cheryl Rosier
Steven L. Troxell

01-01-04 to 12-31-04
01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Miami 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 19, 2006

MIAMI 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	\$ 6,718	\$ 6,567	\$ 10,547	\$ 2,738
Dog	310	172	82	400
Township Assistance	6,155	652	1,086	5,721
Firefighting	(3,491)	13,219	-	9,728
Rainy Day	-	599	-	599
Totals	<u>\$ 9,692</u>	<u>\$ 21,209</u>	<u>\$ 11,715</u>	<u>\$ 19,186</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 2,738	\$ 7,273	\$ 10,980	\$ (969)
Dog	400	28	100	328
Township Assistance	5,721	906	2,420	4,207
Firefighting	9,728	25,511	31,860	3,379
Rainy Day	599	-	-	599
Totals	<u>\$ 19,186</u>	<u>\$ 33,718</u>	<u>\$ 45,360</u>	<u>\$ 7,544</u>

The accompanying notes are an integral part of the schedules.

MIAMI 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.

Note 6. Long-Term Debt

The Township has entered into debt such as a loan for firefighting services. The outstanding principal at December 31, 2005, was \$11,000.

MIAMI TOWNSHIP, CASS COUNTY
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BONDS

The following official bonds were not bound to the State of Indiana.

Kevin E. Loposser, Trustee, 2004, 2005, and 2006

Indiana Code 5-4-1-10 states in part: ". . . every such bond shall be obligated to such state, upon the principal and sureties. . . "

OVERDRAWN CASH BALANCE

The cash balance of the Operating Fund was overdrawn in 2005.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

FIREFIGHTING CONTRACTS

The Trustee failed to pay amount agreed upon per contract for firefighting services provided by the Volunteer Fire Department for the years 2004 and 2005.

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 contract. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

MIAMI TOWNSHIP, CASS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 19, 2006, with Kevin E. Lopper, Trustee. The officials concurred with our findings.