

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
PLEASANT TOWNSHIP
STEUBEN COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
12/27/2006

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OFFICIALS

Office

Official

Term

Trustee

Camelia K. Clark

01-01-03 to 12-31-06

Chairman of the
Township Board

Tony R. Culver

01-01-04 to 12-31-06



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF PLEASANT TOWNSHIP, STEUBEN COUNTY, INDIANA

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

November 20, 2006

PLEASANT TOWNSHIP, STEUBEN 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:				
Township	\$ 87,787	\$ 15,529	\$ 43,709	\$ 59,607
Dog	1,667	1,616	1,419	1,864
Township Assistance	97,775	30,451	107,640	20,586
Firefighting	65,442	125,339	246,895	(56,114)
Levy Excess	8,617	-	-	8,617
Fiduciary Fund:				
Payroll Withholdings	-	3,830	2,700	1,130
Totals	<u>\$ 261,288</u>	<u>\$ 176,765</u>	<u>\$ 402,363</u>	<u>\$ 35,690</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 59,607	\$ 43,639	\$ 50,441	\$ 52,805
Dog	1,864	1,312	1,519	1,657
Township Assistance	20,586	71,042	69,660	21,968
Firefighting	(56,114)	334,767	252,000	26,653
Levy Excess	8,617	-	8,617	-
Fiduciary Fund:				
Payroll Withholdings	1,130	-	-	1,130
Totals	<u>\$ 35,690</u>	<u>\$ 450,760</u>	<u>\$ 382,237</u>	<u>\$ 104,213</u>

The accompanying notes are an integral part of the schedules.

PLEASANT TOWNSHIP, STEUBEN 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.

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.

PLEASANT TOWNSHIP, STEUBEN COUNTY
NOTES TO SCHEDULES
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

PLEASANT TOWNSHIP, STEUBEN COUNTY
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the Township had money due from the Township, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

OFFICIAL BOND

The official bond of the Trustee was not filed in the Office of the County Recorder for the examination period.

A similar comment was in prior Report B24377.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were noted:

- (1) The Township Annual Financial Report (Township Form 15) contained inaccuracies. These inaccuracies include the following:
 - The 2004 Annual Report, Township Fund beginning balance did not agree with the 2003 Annual Report ending balance for the Township Fund.
 - The 2004 and 2005 Township Fund Receipts and Disbursements did not agree with the 2004 and 2005 Township Fund Receipts and Disbursements in the Financial and Appropriations Record.
 - The 2004, Township Assistance Fund Receipts and Disbursements did not agree with the 2004 Township Assistance Fund Receipts and Disbursements in the Financial and Appropriations Record.

PLEASANT TOWNSHIP, STEUBEN COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

- (2) The Firefighting Fund was overdrawn in 2004.

The balance of any fund may not be reduced below zero. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

- (3) Some transactions were recorded as "negative" receipts and disbursements.

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)

A similar comment was in prior Report B24377.

PERSONAL EXPENSES

Attorney fees in the matter of criminal charges that were filed against Donald Clark, Township Assistance Investigator, pertaining to matters that were not within the scope of Mr. Clark's duties, were paid by the Township. The amount of the fees paid was \$368 in 2005. We are requesting that the Trustee reimburse the Township \$368. (See Summary, page 10)

A similar comment was in prior Report B24377.

Public funds may not be used to pay for personal items or for expenses which do not relate to the functions and purposes of the governmental unit. Any personal expenses paid by the governmental entity may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PLEASANT TOWNSHIP, STEUBEN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 20, 2006, with Camelia K. Clark, Trustee.

PLEASANT TOWNSHIP, STEUBEN COUNTY
 STEUBEN COUNTY
 SUMMARY

	Charges	Credits	Balance Due
Clamelia K. Clark, Trustee:			
Personal Expenses, page 8	\$ 368	\$	\$
Repaid on November 28, 2006		368	-
 Totals	\$ 368	\$ 368	\$ -