

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

EXAMINATION REPORT
OF
JACKSON TOWNSHIP
MORGAN COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
02/16/2007

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OFFICIALS

Office

Official

Term

Trustee

Dan Broyer

01-01-03 to 12-31-06

Chairman of the
Township Board

Janice Enk

01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JACKSON TOWNSHIP, MORGAN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Jackson 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 31, 2006

JACKSON TOWNSHIP, MORGAN 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	\$ 61,550	\$ 79,854	\$ 83,747	\$ 57,657
Dog	709	461	409	761
Township Assistance	28,884	6,878	31,337	4,425
Firefighting	8,948	75,015	83,560	403
Rainy Day	-	16,000	-	16,000
Cumulative Fire	16,830	21,848	28,633	10,045
Fiduciary Fund:				
Payroll Withholdings	<u>1,226</u>	<u>1,293</u>	<u>1,226</u>	<u>1,293</u>
Totals	<u>\$ 118,147</u>	<u>\$ 201,349</u>	<u>\$ 228,912</u>	<u>\$ 90,584</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 57,657	\$ 87,950	\$ 83,643	\$ 61,964
Dog	761	482	461	782
Township Assistance	4,425	25,554	3,974	26,005
Firefighting	403	89,450	101,680	(11,827)
Rainy Day	16,000	5,000	10,000	11,000
Cumulative Fire	10,045	22,602	20,632	12,015
Fiduciary Fund:				
Payroll Withholdings	<u>1,293</u>	<u>-</u>	<u>-</u>	<u>1,293</u>
Totals	<u>\$ 90,584</u>	<u>\$ 231,038</u>	<u>\$ 220,390</u>	<u>\$ 101,232</u>

The accompanying notes are an integral part of the schedules.

JACKSON TOWNSHIP, MORGAN 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 in the form of a loan for a fire truck. The outstanding principal at December 31, 2005, was \$12,274.76.

JACKSON TOWNSHIP, MORGAN COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township	2005	<u>\$ 5,193</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OVERDRAWN FUND BALANCE

The Fire Fighting Fund was overdrawn in 2005.

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

JACKSON TOWNSHIP, MORGAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2006, with Dan Broyer, Trustee.