

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

EXAMINATION REPORT

OF

GREER TOWNSHIP

WARRICK COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

09/27/2007

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OFFICIALS

Office

Official

Term

Trustee

Gwen Putler

01-01-03 to 12-31-10

Chairman of the
Township Board

C. Carl Nicholson

01-01-05 to 12-31-07



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GREER TOWNSHIP, WARRICK COUNTY, INDIANA

We have examined the financial information presented herein of Greer Township (Township), for the period of January 1, 2005 to December 31, 2006. The Township's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 19, 2007

GREER TOWNSHIP, WARRICK COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 23,407	\$ 28,587	\$ 15,596	\$ 36,398
Dog	417	68	116	369
Township Assistance	19,506	11,661	5,314	25,853
Firefighting	-	9,474	6,102	3,372
Park and Recreation	3,792	1,517	1,470	3,839
Levy Excess	1,970	-	-	1,970
Cumulative Fire	46,208	14,416	-	60,624
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 95,300</u>	<u>\$ 65,723</u>	<u>\$ 28,598</u>	<u>\$ 132,425</u>
	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 36,398	\$ 18,965	\$ 16,654	\$ 38,709
Dog	369	50	419	-
Township Assistance	25,853	9,663	4,011	31,505
Firefighting	3,372	22,562	25,934	-
Park and Recreation	3,839	7,817	3,000	8,656
Levy Excess	1,970	-	-	1,970
Cumulative Fire	60,624	10,894	71,518	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 132,425</u>	<u>\$ 69,951</u>	<u>\$ 121,536</u>	<u>\$ 80,840</u>

The accompanying notes are an integral part of the financial information.

GREER TOWNSHIP, WARRICK COUNTY
NOTES TO FINANCIAL INFORMATION

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.

GREER TOWNSHIP, WARRICK COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Firefighting Fund	2006	\$ 5,933
Cumulative Fire Fund	2006	13,903

A similar comment was contained in the prior report.

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."

UNAUTHORIZED TRANSFERS TO FIRE TERRITORY

Cash balances of the Firefighting Fund and the Cumulative Fire Fund were transferred to the Elberfeld-Greer Township Fire Protection Territory Fund on December 31, 2006. The transfer of funds included the following cash balances: Firefighting Fund - \$11,433.17 and Cumulative Fire Fund - \$14,982.93.

Indiana Code 36-8-19-8 concerning the sources of funding allowable for a Fire Protection Territory states in part:

- "(b) The fund consists of the following:
 - (1) All receipts from the tax imposed under this section.
 - (2) Any money transferred to the fund by the provider unit as authorized under subsection (d).
 - (3) Any receipts from a false alarm fee or service charge imposed by the participating units under IC 36-8-13-4."

GREER TOWNSHIP, WARRICK COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

The Attorney General of the State of Indiana Issued Advisory Letter 04-03 on February 2, 2007, and which stated in part "A township may participate in an FPT by passing a resolution in the manner and with the same statutory formality as required for ordinances under section 36-8-19-6.

The FPT is not a governmental entity or governmental body to which a city, town or township may transfer property to or exchange property with under Indiana Code sections 36-1-11-8 or 5-22-22-10.

The sources of the FPT fund are enumerated by statute. A participating unit may not transfer cash balances obtained under other statutory authority to the FPT fund." (Township Bulletin and Uniform Compliance Guidelines, Volume 277, Page 4, June 2007)

Payments or transfers which are not authorized by statute, ordinance, resolution, or court order must be reimbursed or transferred to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

COLLECTION OF AMOUNTS DUE

Greer Township is due \$26,416.10 from the Town of Elberfeld as provider unit for the Elberfeld-Greer Township Fire Protection Territory Fund as of July 19, 2007. The \$26,416.10 includes \$11,433.17 due to the Firefighting Fund and \$14,982.93 due to the Cumulative Fire Fund.

Governmental units have a responsibility to collect amounts owed to the governmental unit pursuant to procedures authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

GREER TOWNSHIP, WARRICK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 19, 2007, with Gwen Putler, Trustee. The official concurred with our findings.