B30976

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

EXAMINATION REPORT

OF

SCIPIO TOWNSHIP

LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006

FILED

10/31/2007

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OFFICIALS

Office	Official	Term
Trustee	Nina Sampson	01-01-03 to 12-31-10
Chairman of the Township Board	Richard Rutz	01-01-05 to 12-31-06
	Roger Wolff	01-01-07 to 12-31-07

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SCIPIO TOWNSHIP, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Scipio 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

August 20, 2007

SCIPIO TOWNSHIP, LAPORTE 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	$ 16,422	$ 32,897	$ 32,265	$ 17,054
Dog	488	1,035	188	1,335
Township Assistance	3,112	4,446	3,770	3,788
Firefighting	51,290	63,219	76,758	37,751
Rainy Day	57,385	13,633	17,492	53,526
Fire Debt	14,533	1,371	15,739	165
Fire Truck	-	240,048	-	240,048
Cumulative Fire	219,194	29,805	97,658	151,341
Totals	$ 362,424	$ 386,454	$ 243,870	$ 505,008

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	$ 17,054	$ 49,122	$ 37,479	$ 28,697
Dog	1,335	894	2,229	-
Township Assistance	3,788	2,607	3,548	2,847
Firefighting	37,751	302,390	304,314	35,827
Rainy Day (2005)/River Boat (2006)	53,526	33,146	49,342	37,330
Levy Excess	-	2,526	-	2,526
Fire Debt	165	44,162	20,849	23,478
Fire Truck	240,048	-	240,048	-
Cumulative Fire	151,341	28,690	164,551	15,480
Totals	$ 505,008	$ 463,537	$ 822,360	$ 146,185

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

SCIPIO TOWNSHIP, LAPORTE 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.

Note 6. Long-Term Debt

The Township entered a loan agreement to acquire a fire truck for $240,000 at an interest rate of 5.18%. The outstanding principal balance at December 31, 2006, was $223,112.

Note 7. Subsequent Event

Tax Levies and Rates for 2007

Due to delays caused by trending of assessments, the assessed valuations of LaPorte County have not been finalized. Therefore, the 2006 pay 2007 property tax rates and levies, as well as related budget orders for 2007, have not yet been established as of August 20, 2007.

SCIPIO TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

Fund	Years	Excess Amount Expended
Rainy Day	2005	$ 17,491
River Boat	2006	49,342

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."

RECEIPT ISSUANCE

Receipts were issued for dog tax collections; however, no other receipts were issued.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

SCIPIO TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 22, 2007, with Nina Sampson, Trustee. The official response has been made a part of this report and may be found on page 9.

SCIPIO TOWNSHIP TRUSTEE/ASSESSOR
Nina R. Sampson
1551 W. US 6
LaPorte, In. 46350
Ph: 219-393-3462

August 27, 2007

To: State Board of Accounts
Re: Official Response

From: Nina Sampson
Scipio Township Trustee

APPROPRIATIONS:

Through conversations with my township lawyer my understanding was that Rainy Day Funds (ie Riverboat Funds) and Riverboat Funds could be spent with the approval of the township board and did not have to be officially appropriated. No funds were expended without the approval of the board. In the future I will have the funds properly appropriated before spending.

RECEIPT ISSUANCE:

I will obtain the proper township receipt book and begin issuing receipts immediately.

Nina Sampson
Scipio Twp. Trustee/Assessor