

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

EXAMINATION REPORT

OF

HONEY CREEK TOWNSHIP

WHITE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**

05/15/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Thomas A. Westfall	01-01-03 to 12-31-10
Chairman of the Township Board	Ralph Zarse Steve Sublette Roger Wiese	01-01-06 to 12-31-06 01-01-07 to 12-31-07 01-01-08 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF HONEY CREEK TOWNSHIP, WHITE COUNTY, INDIANA

We have examined the financial information presented herein of Honey Creek Township (Township), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 11, 2008

HONEY CREEK TOWNSHIP, WHITE COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 60,290	\$ 29,714	\$ 20,569	\$ 69,435
Dog	407	212	107	512
Township Assistance	47,723	3,812	5,878	45,657
Firefighting	206,177	38,105	31,063	213,219
Park and Recreation	37,042	2,758	3,767	36,033
Rainy Day	7,534	-	-	7,534
Cumulative Fire	85,949	20,630	-	106,579
Totals	<u>\$ 445,122</u>	<u>\$ 95,231</u>	<u>\$ 61,384</u>	<u>\$ 478,969</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 69,435	\$ 16,743	\$ 16,968	\$ 69,210
Dog	512	-	512	-
Township Assistance	45,657	671	6,688	39,640
Firefighting	213,219	20,195	41,102	192,312
Park and Recreation	36,033	5,444	10,596	30,881
Rainy Day	7,534	-	-	7,534
Cumulative Fire	106,579	9,975	9,171	107,383
Totals	<u>\$ 478,969</u>	<u>\$ 53,028</u>	<u>\$ 85,037</u>	<u>\$ 446,960</u>

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

HONEY CREEK TOWNSHIP, WHITE 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.

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.

HONEY CREEK TOWNSHIP, WHITE COUNTY  
EXAMINATION RESULT AND COMMENT

PENALTIES, INTEREST AND OTHER CHARGES

Penalties and interest totaling \$29.84 were paid to the Internal Revenue Service for the period 2006. Payroll withholding taxes of \$673.36 were not paid for the period 2007.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HONEY CREEK TOWNSHIP, WHITE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 11, 2008, with Thomas A. Westfall, Trustee.  
The official concurred with our finding.