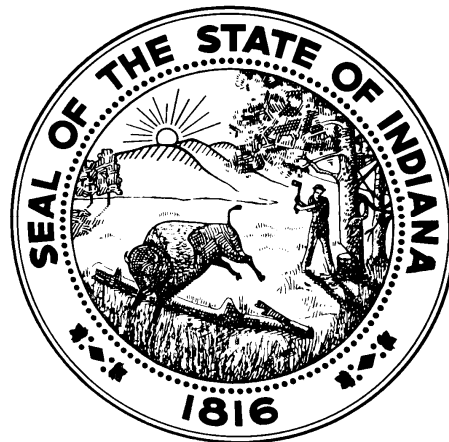


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
JEFFERSON TOWNSHIP  
ALLEN COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
12/18/2008



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OFFICIALS

Office

Official

Term

Trustee

Ronald Hakes

01-01-03 to 12-31-10

Chairman of the  
Township Board

Gaylord Heine  
Daniel Bremer

01-01-06 to 12-31-07  
01-01-08 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF JEFFERSON TOWNSHIP, ALLEN COUNTY, INDIANA

We have examined the financial information presented herein of Jefferson 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

November 6, 2008

JEFFERSON TOWNSHIP, ALLEN 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 14,286	\$ 15,666	\$ 14,393	\$ 15,559
Dog	190	149	189	150
Township Assistance	13,165	7,101	2,224	18,042
Firefighting	70	47,619	47,672	17
Park and Recreation	31,395	5,492	8,782	28,105
Emergency Medical Services	3,513	23,231	20,029	6,715
Cumulative Fire	43,119	20,992	13,672	50,439
Fiduciary Fund:				
Payroll	-	2,415	2,415	-
Totals	<u>\$ 105,738</u>	<u>\$ 122,665</u>	<u>\$ 109,376</u>	<u>\$ 119,027</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 15,559	\$ 17,247	\$ 14,617	\$ 18,189
Dog	150	-	150	-
Township Assistance	18,042	7,556	3,764	21,834
Firefighting	17	46,287	46,272	32
Park and Recreation	28,105	7,480	17,936	17,649
Emergency Medical Services	6,715	24,122	20,108	10,729
Cumulative Fire	50,439	21,318	2,600	69,157
Fiduciary Fund:				
Payroll	-	2,415	2,415	-
Totals	<u>\$ 119,027</u>	<u>\$ 126,425</u>	<u>\$ 107,862</u>	<u>\$ 137,590</u>

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

JEFFERSON TOWNSHIP, ALLEN 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.

JEFFERSON TOWNSHIP, ALLEN COUNTY  
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for examination indicated expenditures in the Firefighting Fund in excess of budgeted appropriations by \$2,397 or 5.46%. A similar comment appeared in prior Report B27015.

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."

OFFICIAL BOND

The official bond for the Trustee was not filed in the Office of the County Recorder. A similar comment appeared in prior Report B27015.

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 . . ."

APPROVED SALARIES

The salaries for the Trustee, Clerk, and Board members were approved on January 11, 2007, for 2006 and January 13, 2008, for 2007.

We recommend that the Township Board set the salaries of township officials and employees, except assessing officials and employees, in conjunction with the preparation and completion of the township budget.

The type of format for recording these salaries should be the existing form of Township Form 17. The salaries so fixed shall be recorded in the township board minutes. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)



JEFFERSON TOWNSHIP, ALLEN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 6, 2008, with Ronald Hakes, Trustee. The official concurred with our findings.