

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

EXAMINATION REPORT
OF
JACKSON TOWNSHIP
GREENE COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/22/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Paul Trampke	01-01-06 to 12-31-10
Chairman of the Township Board	Dorothy Clary Jeremy Inman	01-01-06 to 12-31-06 01-01-07 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Jackson 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.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

December 1, 2008

JACKSON TOWNSHIP, GREENE 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	\$ 80,495	\$ 21,840	\$ 16,737	\$ 85,598
Dog	164	34	6	192
Firefighting	9,037	19,321	27,984	374
Park and Recreation	26,961	4,116	11,363	19,714
Township Assistance	28,277	3,430	7,145	24,562
Fire Equipment Debt	6,308	8,642	18,562	(3,612)
Cumulative Fire	7,351	3,417	4,663	6,105
Levy Excess	510	1,186	510	1,186
Totals	<u>\$ 159,103</u>	<u>\$ 61,986</u>	<u>\$ 86,970</u>	<u>\$ 134,119</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 85,598	\$ 18,444	\$ 18,662	\$ 85,380
Dog	192	-	-	192
Firefighting	374	27,647	25,813	2,208
Park and Recreation	19,714	7,844	14,956	12,602
Rainy Day	-	194	-	194
Township Assistance	24,562	7,977	7,746	24,793
Fire Equipment Debt	(3,612)	19,490	18,560	(2,682)
Cumulative Fire	6,105	6,981	9,138	3,948
Levy Excess	1,186	1,153	1,186	1,153
Totals	<u>\$ 134,119</u>	<u>\$ 89,730</u>	<u>\$ 96,061</u>	<u>\$ 127,788</u>

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

JACKSON TOWNSHIP, GREENE 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.

JACKSON TOWNSHIP, GREENE COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2007

The Township has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal Due Within One Year
Governmental Activities:		
Notes and loans payable	\$ 14,786	\$ 9,773

JACKSON TOWNSHIP, GREENE COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

Fund	Years	Excess Amount Expended
Firefighting	2006	\$ 3,164
Recreation	2006	1,204

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."

CAPITAL ASSET RECORDS

Information presented for examination did not indicate an inventory or record of capital assets using Form 369.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OVERDRAWN CASH BALANCES

The cash balance of the Fire Equipment Debt Fund was overdrawn in 2006 and 2007.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

JACKSON TOWNSHIP, GREENE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

PAYROLL DEDUCTIONS

Review of payroll transactions during 2006 revealed a possible underpayment of withholding taxes to the Internal Revenue Service. The W-2s filed at year end did not agree with quarterly reports filed with the Internal Revenue Service for 2006.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$51.79 were paid to the Indiana Department of Revenue on September 2, 2007, for the period December 31, 2006.

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)

JACKSON TOWNSHIP, GREENE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2008, with Paul Trampke, Trustee; and Paul A. Cullison, Township Board member. The officials concurred with our findings.