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

EXAMINATION REPORT

OF

TROY TOWNSHIP

FOUNTAIN COUNTY, INDIANA

January 1, 2007 to December 31, 2009

FILED
04/09/2010

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OFFICIALS

| Office | Official | Term |
| --- | --- | --- |
| Trustee | Troy M. Stewart | 01-01-07 to 12-31-10 |
| Chairman of the Township Board | Ross Hankins | 01-01-07 to 12-31-10 |

# STATE OF INDIANA

**AN EQUAL OPPORTUNITY EMPLOYER**

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF TROY TOWNSHIP, FOUNTAIN COUNTY, INDIANA

We have examined the financial information presented herein of Troy Township (Township), for the period of January 1, 2007 to December 31, 2009. 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, 2007, 2008, and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 25, 2010

TROY TOWNSHIP, FOUNTAIN COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008, And 2009

| | Cash and Investments 01-01-07 | Receipts | Disbursements | Cash and Investments 12-31-07 |
|---|---|---|---|---|
| Governmental Funds: | | | | |
| Township | $ 76,092 | $ 18,116 | $ 21,290 | $ 72,918 |
| Dog | 185 | - | 185 | - |
| Township Assistance | 12,718 | 21,731 | 15,797 | 18,652 |
| Firefighting | 3,162 | 18,724 | 17,068 | 4,818 |
| Park and Recreation | 690 | 1,171 | 1,002 | 859 |
| Rainy Day | 2,378 | - | - | 2,378 |
| Levy Excess | 327 | 136 | - | 463 |
| Cumulative Fire | 62,551 | 10,649 | 39 | 73,161 |
| Totals | $ 158,103 | $ 70,527 | $ 55,381 | $ 173,249 |

| | Cash and Investments 01-01-08 | Receipts | Disbursements | Cash and Investments 12-31-08 |
|---|---|---|---|---|
| Governmental Funds: | | | | |
| Township | $ 72,918 | $ 18,039 | $ 25,167 | $ 65,790 |
| Township Assistance | 18,652 | 16,215 | 15,375 | 19,492 |
| Firefighting | 4,818 | 12,688 | 17,000 | 506 |
| Park and Recreation | 859 | - | 859 | - |
| Rainy Day | 2,378 | 1,837 | - | 4,215 |
| Levy Excess | 463 | - | - | 463 |
| Cumulative Fire | 73,161 | 7,599 | 7,000 | 73,760 |
| Totals | $ 173,249 | $ 56,378 | $ 65,401 | $ 164,226 |

| | Cash and Investments 01-01-09 | Receipts | Disbursements | Cash and Investments 12-31-09 |
|---|---|---|---|---|
| Governmental Funds: | | | | |
| Township | $ 65,790 | $ 17,144 | $ 26,582 | $ 56,352 |
| Township Assistance | 19,492 | 32,423 | 19,814 | 32,101 |
| Firefighting | 506 | 27,238 | 17,000 | 10,744 |
| Rainy Day | 4,215 | 1,166 | - | 5,381 |
| Levy Excess | 463 | - | - | 463 |
| Cumulative Fire | 73,760 | 39,338 | 26,218 | 86,880 |
| Totals | $ 164,226 | $ 117,309 | $ 89,614 | $ 191,921 |

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

TROY TOWNSHIP, FOUNTAIN 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). Ordinarily, taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. In 2007, taxes were due June 8 and November 13 and distributed by December 31, 2007. In 2008, taxes were due November 10, 2008, and January 12, 2009, and were distributed February 10, 2009. In 2009, taxes were due July 10 and November 10 and were distributed by December 31, 2009.

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.

TROY TOWNSHIP, FOUNTAIN COUNTY
EXAMINATION RESULTS AND COMMENTS

## DISBURSEMENT DOCUMENTATION

Several payments were observed which did not contain adequate supporting documentation such as receipts, and invoices.

Due to the lack of supporting information, the validity and accountability for some monies disbursed could not be established.

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

## PRESCRIBED FORMS

The following prescribed forms were not in use:

General Form 369 Capital Asset Ledger
General Form 350 Register of Investments

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)

TROY TOWNSHIP, FOUNTAIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on February 25, 2010, with Troy M. Stewart, Trustee. The official concurred with our findings.