B36195

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

EXAMINATION REPORT

OF

CENTER TOWNSHIP

CLINTON COUNTY, INDIANA

January 1, 2008 to December 31, 2009

FILED

04/16/2010

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OFFICIALS

Office	Official	Term
Trustee	Vicki I. Elliott	01-01-07 to 12-31-10
President of the Township Board	Robert Sterling	01-01-08 to 12-31-10

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CENTER TOWNSHIP, CLINTON COUNTY, INDIANA

We have examined the financial information presented herein of Center Township (Township), for the period of January 1, 2008 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, 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

March 22, 2010

CENTER TOWNSHIP, CLINTON 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	$ 117,752	$ 89,116	$ 78,392	$ 128,476
Dog	300	-	-	300
Township Assistance	80,417	181,002	259,446	1,973
Firefighting	138,422	37,261	35,273	140,410
Levy Excess	5,369	-	-	5,369
Cumulative Fire	92,851	27,015	-	119,866
Rainy Day	4,012	-	-	4,012
Fiduciary Fund:				
Payroll Withholdings	2,165	33,605	33,888	1,882
Totals	$ 441,288	$ 367,999	$ 406,999	$ 402,288

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	$ 128,476	$ 49,928	$ 79,611	$ 98,793
Dog	300	-	-	300
Township Assistance	1,973	228,574	249,575	(19,028)
Firefighting	140,410	40,383	32,218	148,575
Levy Excess	5,369	-	730	4,639
Cumulative Fire	119,866	25,412	-	145,278
Rainy Day	4,012	696	2,258	2,450
Fiduciary Fund:				
Payroll Withholdings	1,882	32,974	33,028	1,828
Totals	$ 402,288	$ 377,967	$ 397,420	$ 382,835

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

CENTER TOWNSHIP, CLINTON 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.

CENTER TOWNSHIP, CLINTON COUNTY
EXAMINATION RESULT AND COMMENT

OVERDRAWN FUND BALANCES

The Township Assistance Fund was overdrawn at December 31, 2009.

The 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)

CENTER TOWNSHIP, CLINTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 24, 2010, with Vicki Elliott, Trustee. The official response has been made a part of this report and may be found on page 8.

CENTER TOWNSHIP TRUSTEE
53 E.WALNUT ST.
FRANKFORT, IN. 46041
765 654-5714

March 24, 2010
Official Response to exit conference.

In the examination results of Center Township Trustees audit, pertaining to overdrawn funds of Township Assistance funds of December 31, 2009, the reason for overdrawn funds was Clinton County did not collect any property tax money in 2009, because they had not send out tax statements for that year. I contacted the Clinton County Auditor in early December 2009 and asked for an advancement on property tax money of $80000.00. On December 31, 2009 they issued a check of $40000.00 which still had Center Township Assistance fund in the red of $19000.00. The Township Assistance fund was not over the budget, there was not enough money to cover the budget due to the Clinton County Auditor's computer software problems.
I feel like this is no fault of Center Township Trustee

Vicki Elliott
Center Township Trustee