

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

EXAMINATION REPORT  
OF  
KEYSER TOWNSHIP  
DEKALB COUNTY, INDIANA  
January 1, 2008 to December 31, 2009



**FILED**  
04/22/2010



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OFFICIALS

Office

Official

Term

Trustee

Sue Blotkamp

01-01-07 to 12-31-10

Chairman of the  
Township Board

Sue Hurd

01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF KEYSER TOWNSHIP, DEKALB COUNTY, INDIANA

We have examined the financial information presented herein of Keyser 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.

The Schedule of Capital Assets, 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

March 23, 2010

KEYSER TOWNSHIP, DEKALB 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	\$ 7,491	\$ 34,387	\$ 30,124	\$ 11,754
Dog	555	-	-	555
Township Assistance	51,165	44	21,507	29,702
Firefighting	12,185	11,896	12,000	12,081
Rainy Day	75	-	-	75
Fiduciary Fund:				
Payroll Withholdings	170	682	682	170
Totals	<u>\$ 71,641</u>	<u>\$ 47,009</u>	<u>\$ 64,313</u>	<u>\$ 54,337</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 11,754	\$ 17,127	\$ 23,190	\$ 5,691
Dog	555	-	-	555
Township Assistance	29,702	2,591	22,351	9,942
Firefighting	12,081	5,880	16,000	1,961
Rainy Day	75	3,571	3,207	439
Fiduciary Fund:				
Payroll Withholdings	170	682	681	171
Totals	<u>\$ 54,337</u>	<u>\$ 29,851</u>	<u>\$ 65,429</u>	<u>\$ 18,759</u>

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

KEYSER TOWNSHIP, DEKALB 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.

KEYSER TOWNSHIP, DEKALB COUNTY  
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

The annual reports presented for examination were incomplete and not reflective of the activity of the Township. The annual reports presented did not provide sufficient information to audit or establish receipts, disbursements, and ending balances. Also, the annual reports for 2008 and 2009 did not agree with the ledger.

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)

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)

PENALTIES, INTEREST, AND OTHER CHARGES

The prior Trustee failed to remit and file payroll taxes in a timely manner. Therefore, penalties and interest totaling \$3,048.31 were paid to the Internal Revenue Service on February 19, 2008, for the periods 12-31-03 to 09-30-06.

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)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

KEYSER TOWNSHIP, DEKALB COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 23, 2010, with Sue Blotkamp, Trustee. The official concurred with our findings.