

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

EXAMINATION REPORT  
OF  
GREENSBORO TOWNSHIP  
HENRY COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**

04/22/2010



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OFFICIALS

Office

Official

Term

Trustee

Max S. Riddle

01-01-07 to 12-31-10

Chairman of the  
Township Board

Thelma Figel  
John Canary

01-01-07 to 12-31-08  
01-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GREENSBORO TOWNSHIP, HENRY COUNTY, INDIANA

We have examined the financial information presented herein of Greensboro 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 present 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

March 18, 2010

GREENSBORO TOWNSHIP, HENRY 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	\$ 20,434	\$ 12,990	\$ 17,350	\$ 16,074
Dog	463	-	-	463
Township Assistance	676	2,197	2,131	742
Firefighting	(15,397)	54,438	43,621	(4,580)
Totals	<u>\$ 6,176</u>	<u>\$ 69,625</u>	<u>\$ 63,102</u>	<u>\$ 12,699</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 16,074	\$ 11,382	\$ 17,555	\$ 9,901
Dog	463	-	463	-
Township Assistance	742	4,358	2,064	3,036
Firefighting	(4,580)	12,711	11,799	(3,668)
Totals	<u>\$ 12,699</u>	<u>\$ 28,451</u>	<u>\$ 31,881</u>	<u>\$ 9,269</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 9,901	\$ 13,565	\$ 15,243	\$ 8,223
Township Assistance	3,036	5,021	4,810	3,247
Firefighting	(3,668)	11,488	9,743	(1,923)
Totals	<u>\$ 9,269</u>	<u>\$ 30,074</u>	<u>\$ 29,796</u>	<u>\$ 9,547</u>

GREENSBORO TOWNSHIP, HENRY 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, 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.

GREENSBORO TOWNSHIP, HENRY COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BONDS

Official Bonds were not on file for the examination period or currently. A similar comment appeared in prior Reports B28025 and B31106.

Until July 1, 2009, IC 5-4-4-18 stated in part:

"(c) The fiscal bodies of the respective units shall fix the amount of the bond . . . township trustees . . . as follows:

- (1) The amount must equal fifteen thousand dollars (\$15,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (2) The amount may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000)."

Effective July 1, 2009, IC 5-4-1-18 states is part:

"(c) Except as provided in subsections (h) and (i), the fiscal bodies of the respective units shall fix the amount of the bond of . . . township trustees . . . as follows:

- (1) The amount of annual coverage must equal thirty thousand dollars (\$30,000) for each one million dollars (\$1,000,000) of receipts of the officer's office during the last complete fiscal year before the purchase of the bond, subject to subdivision (2).
- (2) The amount of annual coverage may not be less than thirty thousand dollars (\$30,000) nor more than three hundred thousand dollars (\$300,000) unless the fiscal body approves a greater amount of annual coverage for the officer or employee."

IC 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 . . ."

GREENSBORO TOWNSHIP, HENRY COUNTY  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

OVERDRAWN CASH BALANCES

The cash balance of the Firefighting Fund was overdrawn in 2007, 2008, and 2009. A similar comment appeared in prior Reports B28025 and B31106.

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)

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not complete at December 31, 2009. A similar comment appeared in prior Reports B28025 and B31106.

IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

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)

GREENSBORO TOWNSHIP, HENRY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 18, 2010, with Max S. Riddle, Trustee. The official concurred with our findings.