

B36437

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

EXAMINATION REPORT
OF
BRANDYWINE TOWNSHIP
SHELBY COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/27/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5
Examination Results and Comments:	
Official Bond	6
Bank Account Reconciliations	6
Prescribed Forms	7
Certified Report Not Filed	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Glenn A. Glackman	01-01-07 to 12-31-10
Chairman of the Township Board	Linda Rund	01-01-07 to 12-31-08
	Shawn Stonebraker	01-01-09 to 12-31-09
	Joe Stucker	01-01-10 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BRANDYWINE TOWNSHIP, SHELBY COUNTY, INDIANA

We have examined the financial information presented herein of Brandywine 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

April 1, 2010

BRANDYWINE TOWNSHIP, SHELBY 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	\$ 9,536	\$ 39,962	\$ 38,393	\$ 11,105
Dog	516	110	626	-
Township Assistance	9,695	18	1,050	8,663
Firefighting	5,009	13,185	14,605	3,589
Park and Recreation	3,537	3,137	3,937	2,737
Cemetery	23,847	27,200	22,730	28,317
Fire Debt	7,190	-	-	7,190
Cumulative Fire	82,217	13,857	-	96,074
Totals	<u>\$ 141,547</u>	<u>\$ 97,469</u>	<u>\$ 81,341</u>	<u>\$ 157,675</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 11,105	\$ 35,278	\$ 37,963	\$ 8,420
Township Assistance	8,663	150	2,190	6,623
Firefighting	3,589	11,990	4,821	10,758
Park and Recreation	2,737	3,065	3,001	2,801
Rainy Day	-	1,413	224	1,189
Cemetery	28,317	5,175	3,927	29,565
Fire Debt	7,190	-	-	7,190
Cumulative Fire	96,074	12,190	-	108,264
Totals	<u>\$ 157,675</u>	<u>\$ 69,261</u>	<u>\$ 52,126</u>	<u>\$ 174,810</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 8,420	\$ 57,187	\$ 39,042	\$ 26,565
Township Assistance	6,623	2,265	1,837	7,051
Firefighting	10,758	27,833	23,816	14,775
Park and Recreation	2,801	9,385	3,816	8,370
Rainy Day	1,189	731	-	1,920
Cemetery	29,565	6,250	13,995	21,820
Fire Debt	7,190	23,426	2,083	28,533
Cumulative Fire	108,264	23,541	-	131,805
Totals	<u>\$ 174,810</u>	<u>\$ 150,618</u>	<u>\$ 84,589</u>	<u>\$ 240,839</u>

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

BRANDYWINE TOWNSHIP, SHELBY 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.

Note 6. Long Term Debt

The Township has entered into a capital lease for a fire truck along with Sugar Creek Township. Brandywine Township will pay 60% and Sugar Creek Township will pay 40%. Brandywine Township's portion of the outstanding principal at December 31, 2009, was \$181,579. Brandywine Township's portion of principal and interest due in calendar year 2010 is \$43,336.

BRANDYWINE TOWNSHIP, SHELBY COUNTY
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Trustee's official bond does not comply with current requirements. Currently, the Trustee's official bond is for \$15,000.

Effective July 1, 2009, IC 5-4-1-18 states in 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."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for examination or were incorrect.

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)

BRANDYWINE TOWNSHIP, SHELBY COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

PRESCRIBED FORMS

Township Assistance Form TA-1A (the prescribed form for Notice of Township Assistance Action) was not in use.

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)

CERTIFIED REPORT NOT FILED

The Township did not file a Certified Report of Compensation of Names, Addresses, Duties and Public Employees (Form 100-R) with the State Board of Accounts for the years 2008 and 2009.

IC 5-11-13-1 states in part:

"Every state, county, city, town, township, or school official . . . shall during the month of January of each year prepare, make, and sign a written or printed certified report, correctly and completely showing the names and addresses of each and all officers, employees, and agents . . . and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts."

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)

BRANDYWINE TOWNSHIP, SHELBY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 1, 2010, with Glenn A. Glackman, Trustee. The official concurred with our findings.