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

EXAMINATION REPORT
OF
CENTER TOWNSHIP
HANCOCK 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 Result and Comment:	
Official Bond	6
Exit Conference.....	7
Official Response	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Ronald Horning	01-01-07 to 12-31-10
Chairman of the Township Board	Guy A. Titus	01-01-07 to 12-31-07
	Trisha Holliday	01-01-08 to 08-05-08
	Robin Lowder	08-06-08 to 12-31-08
	James W. McWhinney	01-01-09 to 12-31-09
	Joseph Skvarenina	01-01-10 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, HANCOCK COUNTY, INDIANA

We have examined the financial information presented herein of Center 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

March 25, 2010

CENTER TOWNSHIP, HANCOCK 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, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 37,034	\$ 180,165	\$ 84,459	\$ 132,740
Township Assistance	75,956	135,724	95,452	116,228
Firefighting	96,979	306,685	212,523	191,141
Park and Recreation	61,175	10,000	21,000	50,175
Rainy Day	11,406	16,404	-	27,810
Levy Excess	2,756	-	2,756	-
Fire Debt	6,818	10	-	6,828
Cumulative Fire	89,004	92,613	-	181,617
Fiduciary Fund:				
Payroll Withholdings	145	4,101	3,174	1,072
Totals	<u>\$ 381,273</u>	<u>\$ 745,702</u>	<u>\$ 419,364</u>	<u>\$ 707,611</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 132,740	\$ 117,242	\$ 61,121	\$ 188,861
Township Assistance	116,228	165,501	100,572	181,157
Firefighting	191,141	230,169	259,485	161,825
Park and Recreation	50,175	-	11,000	39,175
Rainy Day	27,810	23,504	-	51,314
Fire Debt	6,828	-	-	6,828
Cumulative Fire	181,617	93,767	41,551	233,833
Fiduciary Fund:				
Payroll Withholdings	1,072	3,997	4,038	1,031
Totals	<u>\$ 707,611</u>	<u>\$ 634,180</u>	<u>\$ 477,767</u>	<u>\$ 864,024</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 188,861	\$ 181,914	\$ 60,217	\$ 310,558
Township Assistance	181,157	57,019	57,700	180,476
Firefighting	161,825	-	40,688	121,137
Park and Recreation	39,175	16,757	11,000	44,932
Rainy Day	51,314	21,794	-	73,108
Fire Debt	6,828	-	605	6,223
Cumulative Fire	233,833	-	156,202	77,631
Fiduciary Fund:				
Payroll Withholdings	1,031	3,394	3,418	1,007
Totals	<u>\$ 864,024</u>	<u>\$ 280,878</u>	<u>\$ 329,830</u>	<u>\$ 815,072</u>

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

CENTER TOWNSHIP, HANCOCK 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.

CENTER TOWNSHIP, HANCOCK COUNTY
EXAMINATION RESULT AND COMMENT

OFFICIAL BOND

The Trustee does have an official bond; however, the official bond was not on file in the Office of the County Recorder for the years 2008 and 2009. Additionally, the bond has coverage in the amount of \$15,000.

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 . . ."

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 . . ."

CENTER TOWNSHIP, HANCOCK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Ronald Horning, Trustee; Joseph Skvarenina, President of the Board; and Rosy Oshry, Financial Consultant. The official response has been made a part of this report and may be found on page 8.

Center Township Trustee's Office

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Greenfield, IN 46140

Phone: 317-477-1176

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E-Mail: [centertownshiptrustee@gmail.com](mailto:center township trustee@gmail.com)

To: The State Board Accounts Auditors,

It was brought to my attention at the exit conference with the State board of Accounts Auditors, that the minimum bond amount requirement had changed, effective July 1, 2009. I will contact my insurance company to increase my bond amount to the new minimum requirement and file the official bond with the County Recorder. I will obtain and file a new bond each year, as specified by the Auditors.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Horning". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Ron Horning
Center Township Trustee