

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

EXAMINATION REPORT

OF

ST. MARY'S TOWNSHIP

ADAMS COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED

04/27/2010

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OFFICIALS

Office

Official

Term

Trustee

Russell E. Cook

01-01-07 to 12-31-10

Chairman of the
Township Board

Harvey L. Jones

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 ST. MARY'S TOWNSHIP, ADAMS COUNTY, INDIANA

We have examined the financial information presented herein of St. Mary's 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

April 1, 2010

ST. MARY'S TOWNSHIP, ADAMS 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	\$ 17,783	\$ 19,062	\$ 16,252	\$ 20,593
Township Assistance	28,309	-	744	27,565
Firefighting	15,180	11,944	11,098	16,026
Park and Recreation	23,756	16,423	16,205	23,974
Cemetery	1,907	1,090	788	2,209
Buggy Plates	-	1,620	1,620	-
Fiduciary Fund:				
Cemetery Endowment	16,653	-	-	16,653
Totals	<u>\$ 103,588</u>	<u>\$ 50,139</u>	<u>\$ 46,707</u>	<u>\$ 107,020</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 20,593	\$ 16,688	\$ 16,904	\$ 20,377
Township Assistance	27,565	570	2,196	25,939
Firefighting	16,026	12,098	12,216	15,908
Park and Recreation	23,974	15,992	8,166	31,800
Cemetery	2,209	750	39	2,920
Levy Excess	-	215	-	215
Fiduciary Fund:				
Cemetery Endowment	16,653	-	-	16,653
Totals	<u>\$ 107,020</u>	<u>\$ 46,313</u>	<u>\$ 39,521</u>	<u>\$ 113,812</u>

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

ST. MARY'S TOWNSHIP, ADAMS 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.

ST. MARY'S TOWNSHIP, ADAMS COUNTY
EXAMINATION RESULTS AND COMMENTS

ANNUAL REPORT

An annual report was not filed with the State Examiner for the years 2008 or 2009.

IC 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

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)

CAPITAL ASSET RECORDS

The Township does not maintain capital asset records. A similar comment appeared in prior Report B33281.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Assets Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

RECEIPT ISSUANCE

Receipts were not issued for Township building and park rental. A rental contract is used, but often is incomplete. A similar comment appeared in prior Report B33281.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

ST. MARY'S TOWNSHIP, ADAMS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 1, 2010, with Russell E. Cook, Trustee. The official concurred with our findings.