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

EXAMINATION REPORT  
OF  
MONROE TOWNSHIP  
WASHINGTON COUNTY, INDIANA  
January 1, 2007 to December 31, 2009



**FILED**  
04/27/2010



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OFFICIALS

Office

Official

Term

Trustee

Susan Boling

01-01-07 to 12-31-10

Chairman of the  
Township Board

Roba Boling

01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MONROE TOWNSHIP, WASHINGTON COUNTY, INDIANA

We have examined the financial information presented herein of Monroe 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.

The Schedule of Long-Term Debt, 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

April 9, 2010

MONROE TOWNSHIP, WASHINGTON 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	\$ 10,405	\$ 19,160	\$ 20,807	\$ 8,758
Dog	202	-	202	-
Township Assistance	8,903	-	1,649	7,254
Firefighting	18,706	3,013	17,338	4,381
Cumulative Fire	4,306	3,134	3,266	4,174
Rainy Day	1,988	670	629	2,029
Fire Debt	-	23,566	-	23,566
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 44,510</u>	<u>\$ 49,543</u>	<u>\$ 43,891</u>	<u>\$ 50,162</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 8,758	\$ 14,293	\$ 18,425	\$ 4,626
Township Assistance	7,254	46	2,297	5,003
Firefighting	4,381	1,821	19,554	(13,352)
Cumulative Fire	4,174	1,822	1,712	4,284
Rainy Day	2,029	721	1,174	1,576
Fire Debt	23,566	20,626	13,083	31,109
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 50,162</u>	<u>\$ 39,329</u>	<u>\$ 56,245</u>	<u>\$ 33,246</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 4,626	\$ 37,019	\$ 27,244	\$ 14,401
Township Assistance	5,003	5,397	2,873	7,527
Firefighting	(13,352)	39,522	10,481	15,689
Cumulative Fire	4,284	6,069	915	9,438
Rainy Day	1,576	-	160	1,416
Fire Debt	31,109	22,147	33,908	19,348
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 33,246</u>	<u>\$ 110,154</u>	<u>\$ 75,581</u>	<u>\$ 67,819</u>

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

MONROE TOWNSHIP, WASHINGTON 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.

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.

MONROE TOWNSHIP, WASHINGTON COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2009

The Township has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Notes and loans payable:		
Emergency fire loan	\$ 16,500	\$ 16,952

MONROE TOWNSHIP, WASHINGTON COUNTY  
EXAMINATION RESULT AND COMMENT

CONDITION OF RECORDS

The following deficiencies relating to the recordkeeping were noted:

1. Record balances were not reconciled to depository balances on a monthly basis.

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)

2. There were a considerable number of posting errors. These errors included checks and receipts not recorded in the proper amounts, recorded to an incorrect fund and not recorded to any fund.

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

3. The Township Annual Reports (Form 15) filed by the Township were incorrect and did not accurately reflect the financial transactions of the Township.

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)

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)

MONROE TOWNSHIP, WASHINGTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 9, 2010, with Susan Boling, Trustee. The official concurred with our finding.