

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

EXAMINATION REPORT
OF
CONCORD TOWNSHIP
ELKHART COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED

04/29/2010

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OFFICIALS

Office

Official

Term

Trustee

Debra Stoffer

01-01-07 to 12-31-10

Chairman of the
Township Board

Paul Angel

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 CONCORD TOWNSHIP, ELKHART COUNTY, INDIANA

We have examined the financial information presented herein of Concord 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.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

April 8, 2010

CONCORD TOWNSHIP, ELKHART COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 226,736	\$ 674,280	\$ 737,309	\$ 163,707
Township Assistance	322,559	392,497	508,405	206,651
Firefighting	429,193	732,387	625,932	535,648
Rainy Day	5,230	125,432	65,331	65,331
Emergency Medical Services	64,556	1,318,703	1,370,967	12,292
Levy Excess	5,378	-	-	5,378
Fire Debt	135,636	691,427	804,910	22,153
Federal Grant	-	169,357	165,952	3,405
Fire Construction Project	16,340	-	16,340	-
Cumulative Fire	<u>188,576</u>	<u>315,480</u>	<u>209,785</u>	<u>294,271</u>
Totals	<u>\$ 1,394,204</u>	<u>\$ 4,419,563</u>	<u>\$ 4,504,931</u>	<u>\$ 1,308,836</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 163,707	\$ 544,875	\$ 757,395	\$ (48,813)
Township Assistance	206,651	473,386	326,622	353,415
Firefighting	535,648	1,013,030	956,021	592,657
Rainy Day	65,331	22,805	-	88,136
Emergency Medical Services	12,292	1,149,348	987,140	174,500
Levy Excess	5,378	-	-	5,378
Fire Debt	22,153	1,503,442	1,102,414	423,181
Federal Grant	3,405	139,665	143,070	-
Cumulative Fire	<u>294,271</u>	<u>327,973</u>	<u>150,000</u>	<u>472,244</u>
Totals	<u>\$ 1,308,836</u>	<u>\$ 5,174,524</u>	<u>\$ 4,422,662</u>	<u>\$ 2,060,698</u>

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

CONCORD TOWNSHIP, ELKHART 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.

CONCORD TOWNSHIP, ELKHART COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

CONCORD TOWNSHIP, ELKHART COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 267,867
Buildings	2,695,000
Machinery and equipment	1,497,683
Construction in progress	<u>1,198,000</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$ 5,658,550</u></u>

CONCORD TOWNSHIP, ELKHART 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:		
Capital leases:		
Defibrillators (2)	\$ 16,457	\$ 14,015
Notes and loans payable	<u>616,638</u>	<u>631,655</u>
Total governmental activities debt	<u>\$ 633,095</u>	<u>\$ 645,670</u>

CONCORD TOWNSHIP, ELKHART COUNTY
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

Not all minutes of meetings of the Township Board were available for examination. The minutes that were not available include April 2008, July 15, 2008, August 5, 2008, October 2008, November 2008, December 2008, April 2009, May 2009, June 2009, and July 2009.

IC 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township	2009	<u>\$ 65,495</u>

A similar comment appeared in Report B33245.

IC 6-1.1-18-4 states in part:

". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

CONCORD TOWNSHIP, ELKHART COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

SALARY RESOLUTION

The amount paid to the Clerk from the Township Assistance Fund did not agree with the amount listed on Form 17, Resolution Establishing Salaries of Township Officers and Employees. The amount paid out of the Township Assistance Fund was \$31,530.98. The amount on the 2009 Salary Resolution was \$27,744, resulting in a \$3,786.98 overpayment.

Each governmental unit is responsible for complying with the ordinances, resolutions, and policies it adopts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Governmental units should collect any overpayments made. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OVERDRAWN FUND BALANCE

The Township Fund was overdrawn in 2009. The fund balance as of December 31, 2009, was a negative \$48,812.69.

The 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)

CONCORD TOWNSHIP, ELKHART COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 8, 2010, with Debra Stoffer, Trustee.