

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

EXAMINATION REPORT  
OF  
CASS TOWNSHIP  
SULLIVAN COUNTY, INDIANA  
January 1, 2009 to December 31, 2009



**FILED**  
04/29/2010



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OFFICIALS

Office

Official

Term

Trustee

Todd Talpas

07-01-07 to 12-31-10

Chairman of the  
Township Board

Joe McCammon

01-01-09 to 12-31-10



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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CASS TOWNSHIP, SULLIVAN COUNTY, INDIANA

We have examined the financial information presented herein of Cass Township (Township), for the period of January 1, 2009 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 year ended December 31, 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 6, 2010

CASS TOWNSHIP, SULLIVAN COUNTY  
 SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 As Of And For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 29,481	\$ 19,758	\$ 18,391	\$ 30,848
Township Assistance	5,014	17,469	15,269	7,214
Fire Fighting	5,116	14,917	13,172	6,861
Cumulative Fire	<u>19,510</u>	<u>6,882</u>	<u>3,983</u>	<u>22,409</u>
Totals	<u>\$ 59,121</u>	<u>\$ 59,026</u>	<u>\$ 50,815</u>	<u>\$ 67,332</u>

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

CASS TOWNSHIP, SULLIVAN 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.

CASS TOWNSHIP, SULLIVAN COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The Trustee's bond is a continuation certificate.

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. . . ."

The State Board of Accounts is of the audit position continuation certificates or renewals should not be used in lieu of obtaining the required annual bond coverage. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 1)

TRUSTEE COMPENSATION

The Trustee also held the position of Township Clerk during 2009.

IC 36-6-4-3 states in part: "The executive shall do the following: . . . administer township assistance under IC 12-20 . . ." Therefore, the State Board of Accounts is of the audit position that the compensation of a Township Trustee, paid from the Township Fund, is for all duties (other than assessing duties, as authorized by IC 36-6-6-10), as required in IC 36-6-4-3. (Township Bulletin Volume No. 264, 5, February 2004)

Todd Talpas, Trustee, has agreed to reimburse the Township for the amount paid as Township Clerk by December 31, 2010.

CASS TOWNSHIP, SULLIVAN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on April 6, 2010, with Todd Talpas, Trustee.