

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

EXAMINATION REPORT
OF
CHESTER TOWNSHIP
WELLS COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
04/30/2010

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OFFICIALS

Office

Official

Term

Trustee

Gary R. Story

01-01-07 to 12-31-10

Chairman of the
Township Board

Robert Prible

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 CHESTER TOWNSHIP, WELLS COUNTY, INDIANA

We have examined the financial information presented herein of Chester 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

March 31, 2010

CHESTER TOWNSHIP, WELLS 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

	<u>Cash and Investments 01-01-08</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-08</u>
Governmental Funds:				
Township	\$ 7,998	\$ 11,425	\$ 13,950	\$ 5,473
Township Assistance	13,726	1,064	1,432	13,358
Firefighting	8,235	13,927	13,652	8,510
Cumulative Fire	<u>2,564</u>	<u>10,639</u>	<u>12,468</u>	<u>735</u>
Totals	<u>\$ 32,523</u>	<u>\$ 37,055</u>	<u>\$ 41,502</u>	<u>\$ 28,076</u>
	<u>Cash and Investments 01-01-09</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-09</u>
Governmental Funds:				
Township	\$ 5,473	\$ 14,038	\$ 15,484	\$ 4,027
Township Assistance	13,358	136	525	12,969
Firefighting	8,510	16,219	9,520	15,209
Cumulative Fire	735	12,187	4,678	8,244
Rainy Day	<u>-</u>	<u>958</u>	<u>-</u>	<u>958</u>
Totals	<u>\$ 28,076</u>	<u>\$ 43,538</u>	<u>\$ 30,207</u>	<u>\$ 41,407</u>

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

CHESTER TOWNSHIP, WELLS 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.

CHESTER TOWNSHIP, WELLS COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 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	\$ 20,000
Buildings	250,000
Machinery and equipment	<u>321,200</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 591,200</u>

CHESTER TOWNSHIP, WELLS 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	\$ 4,445	\$ 4,678

CHESTER TOWNSHIP, WELLS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 31, 2010, with Gary R. Story, Trustee. Our examination disclosed no material items that warrant comment at this time.