

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

EXAMINATION REPORT
OF
RILEY TOWNSHIP
VIGO COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
05/06/2010

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OFFICIALS

Office

Official

Term

Trustee

Robert P. Flesher

01-01-07 to 12-31-10

Chairman of the
Township Board

Ernest Weddle

01-01-08 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RILEY TOWNSHIP, VIGO COUNTY, INDIANA

We have examined the financial information presented herein of Riley 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 13, 2010

RILEY TOWNSHIP, VIGO 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	\$ 35,791	\$ 14,953	\$ 23,041	\$ 27,703
Township Assistance	16,268	3,709	7,019	12,958
Levy Excess	752	-	752	-
Rainy Day	-	1,716	-	1,716
Fiduciary Fund:				
Payroll	1,655	3,440	2,311	2,784
Totals	<u>\$ 54,466</u>	<u>\$ 23,818</u>	<u>\$ 33,123</u>	<u>\$ 45,161</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 27,703	\$ 26,057	\$ 23,355	\$ 30,405
Township Assistance	12,958	5,530	6,310	12,178
Rainy Day	1,716	-	-	1,716
Fiduciary Fund:				
Payroll	2,784	3,515	2,702	3,597
Totals	<u>\$ 45,161</u>	<u>\$ 35,102</u>	<u>\$ 32,367</u>	<u>\$ 47,896</u>

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

RILEY TOWNSHIP, VIGO 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: 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.

RILEY TOWNSHIP, VIGO COUNTY
EXAMINATION RESULTS AND COMMENTS

DEPOSIT OF PUBLIC FUNDS

The County Auditor issued the 2009 spring tax settlement in August and the Trustee did not record the check in the ledger or deposit the check in the bank until December.

IC 5-13-6-1(c) states in part: "The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month."

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

ADVANCE PAYMENTS

Dates of transactions indicate that salary payments were made to the Trustee and Clerk in advance of services rendered.

A similar comment appeared in prior Report B33453.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

IC 5-7-3-1 states in part: "(a) Public officers may not draw or receive their salaries in advance."

MILEAGE REIMBURSEMENT

The Trustee was reimbursed for mileage without filing Mileage Claim, General Form 101.

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)

RILEY TOWNSHIP, VIGO COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 13, 2010, with Janine M. Flesher, Clerk. The official concurred with our findings.