

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

EXAMINATION REPORT
OF
RANDOLPH TOWNSHIP
TIPPECANOE COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
05/10/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5
Supplementary Information:	
Schedule of Long-Term Debt	6
Examination Results and Comments:	
Overdrawn Fund Balance.....	7
Official's Bond.....	7
Exit Conference.....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Marcella Maynard	01-01-07 to 12-31-10
Chairman of the Township Board	Daniel Korty	01-01-07 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RANDOLPH TOWNSHIP, TIPPECANOE COUNTY, INDIANA

We have examined the financial information presented herein of Randolph 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

March 25, 2010

RANDOLPH TOWNSHIP, TIPPECANOE 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	\$ 44,920	\$ 43,506	\$ 36,063	\$ 52,363
Dog	475	-	475	-
Township Assistance	4,664	1,177	1,961	3,880
Firefighting	77,999	39,805	39,035	78,769
Levy Excess	3,775	-	-	3,775
Fire Debt	(85)	-	-	(85)
Rainy Day	85	-	-	85
Cumulative Fire	84,946	12,489	-	97,435
Totals	<u>\$ 216,779</u>	<u>\$ 96,977</u>	<u>\$ 77,534</u>	<u>\$ 236,222</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 52,363	\$ 24,845	\$ 41,172	\$ 36,036
Township Assistance	3,880	371	2,204	2,047
Firefighting	78,769	21,598	42,298	58,069
Levy Excess	3,775	-	-	3,775
Fire Debt	(85)	200,090	184,634	15,371
Rainy Day	85	-	-	85
Cumulative Fire	97,435	4,161	2,677	98,919
Totals	<u>\$ 236,222</u>	<u>\$ 251,065</u>	<u>\$ 272,985</u>	<u>\$ 214,302</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 36,036	\$ 56,512	\$ 45,523	\$ 47,025
Township Assistance	2,047	5,536	1,178	6,405
Firefighting	58,069	68,273	66,304	60,038
Levy Excess	3,775	-	-	3,775
Fire Debt	15,371	17,724	15,456	17,639
Rainy Day	85	1,348	-	1,433
Cumulative Fire	98,919	18,684	23,620	93,983
Totals	<u>\$ 214,302</u>	<u>\$ 168,077</u>	<u>\$ 152,081</u>	<u>\$ 230,298</u>

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

RANDOLPH TOWNSHIP, TIPPECANOE 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.

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.

RANDOLPH TOWNSHIP, TIPPECANOE 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:		
Fire Debt:		
Notes and loans payable:		
Purchase of a fire truck	\$ 170,693	\$ 39,075

RANDOLPH TOWNSHIP, TIPPECANOE COUNTY
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCE

The Fire Debt Fund was overdrawn in 2007.

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)

OFFICIAL'S BOND

The Trustee's annual bond amount was \$10,000.

The Trustee's bonds for the examination period were not filed in the office of the County Recorder.

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 . . ."

Until July 1, 2009, IC 5-4-1-18 stated in part:

"(c) The fiscal bodies of the respective units shall fix the amount of the bond of . . . township trustees . . . as follows:

- (1) The amount must equal fifteen thousand dollars (\$15,000) 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 may not be less than fifteen thousand dollars (\$15,000) nor more than three hundred thousand dollars (\$300,000) . . ."

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. . . ."

RANDOLPH TOWNSHIP, TIPPECANOE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Marcella Maynard, Trustee. The official concurred with our findings.