

B37027

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

EXAMINATION REPORT
OF
LICKING TOWNSHIP
BLACKFORD COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
05/20/2010

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OFFICIALS

Office

Official

Term

Trustee

Chris Holtzleiter

01-01-07 to 12-31-10

Chairman of the
Township Board

Jacob H. Holsten

01-01-08 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 LICKING TOWNSHIP, BLACKFORD COUNTY, INDIANA

We have examined the financial information presented herein of Licking 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 12, 2010

LICKING TOWNSHIP, BLACKFORD 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 | \$ 87,535 | \$ 80,728 | \$ 21,327 | \$ 146,936 |
| Township Assistance | 301,550 | 149,176 | 71,086 | 379,640 |
| Firefighting | 63,128 | 19,312 | 30,179 | 52,261 |
| Library | 17,862 | 8,800 | 8,050 | 18,612 |
| Fiduciary Fund: | | | | |
| Payroll Withholdings | 320 | - | 320 | - |
| Totals | <u>\$ 470,395</u> | <u>\$ 258,016</u> | <u>\$ 130,962</u> | <u>\$ 597,449</u> |

| | Cash and Investments 01-01-09 | Receipts | Disbursements | Cash and Investments 12-31-09 |
|---------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: | | | | |
| Township | \$ 146,936 | \$ 43,529 | \$ 23,912 | \$ 166,553 |
| Township Assistance | 379,640 | 156,840 | 158,230 | 378,250 |
| Firefighting | 52,261 | 58,035 | 28,375 | 81,921 |
| Library | 18,612 | 9,587 | 8,400 | 19,799 |
| Totals | <u>\$ 597,449</u> | <u>\$ 267,991</u> | <u>\$ 218,917</u> | <u>\$ 646,523</u> |

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

LICKING TOWNSHIP, BLACKFORD 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.

LICKING TOWNSHIP, BLACKFORD COUNTY
EXAMINATION RESULTS AND COMMENTS

DEPOSIT OF PUBLIC FUNDS

Three tax distributions in 2009 took more than a month to be deposited into the Township's bank account.

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."

PENALTIES, INTEREST, AND OTHER CHARGES

Penalties and interest totaling \$46.97 were paid to the Indiana Department of Revenue for late remittals of income taxes withheld from employees' pays in the fourth quarter of 2008 and the third quarter of 2009. At our request, the Trustee reimbursed \$46.97 to the Township on April 8, 2010.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

LICKING TOWNSHIP, BLACKFORD COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 12, 2010, with Chris Holtzleiter, Trustee; and Jacob H. Holsten, Chairman of the Township Board. The officials concurred with our findings.