

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

EXAMINATION REPORT
OF
WHITE RIVER TOWNSHIP
JOHNSON COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
12/07/2010

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OFFICIALS

Office

Official

Term

Trustee

Jay W. Marks

01-01-08 to 12-31-10

Chairman of the
Township Board

Mark Messick

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 WHITE RIVER TOWNSHIP, JOHNSON COUNTY, INDIANA

We have examined the financial information presented herein of White River 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

September 27, 2010

WHITE RIVER TOWNSHIP, JOHNSON 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	\$ 157,321	\$ 285,377	\$ 214,237	\$ 228,461
Township Assistance	58,957	68,188	62,648	64,497
Rainy Day	16,076	14,837	-	30,913
Building Fund	30	-	-	30
Fiduciary Fund:				
Payroll Withholdings	55	12,893	12,948	-
Totals	<u>\$ 232,439</u>	<u>\$ 381,295</u>	<u>\$ 289,833</u>	<u>\$ 323,901</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 228,461	\$ 249,926	\$ 274,132	\$ 204,255
Township Assistance	64,497	50,478	86,815	28,160
Rainy Day	30,913	10,229	-	41,142
Building Fund	30	-	-	30
Fiduciary Fund:				
Payroll Withholdings	-	13,104	13,104	-
Totals	<u>\$ 323,901</u>	<u>\$ 323,737</u>	<u>\$ 374,051</u>	<u>\$ 273,587</u>

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

WHITE RIVER TOWNSHIP, JOHNSON 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, 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.

WHITE RIVER TOWNSHIP, JOHNSON COUNTY
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 5. Deposits and Investments

Deposits, made in accordance with IC 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.

Note 6. Subsequent Event

During January 2010, the Township sold the Al Mar property (39.097 acre parcel of mixed use tillable and nontillable farmland with buildings and permanent improvements) to the Center Grove Bantam Football League for the sum of \$250,000. We were presented with information from the Township if the sale was exempt from the provisions of IC 36-1-11-1 et seq. pursuant to IC 36-1-11-1(b)(7) and the Center Grove Bantam Football League was considered exempt from Federal income tax and exempt under Section 501(c)(3) of the Internal Revenue Code. IC 36-1-11-1(b) states in part: "This chapter does not apply to the following: . . . (7) The sale or lease of property by a unit to an Indiana nonprofit corporation organized for educational, literary, scientific, religious, or charitable purposes that is exempt from federal income taxation under Section 501 of the Internal Revenue Code or the sale or reletting of that property by the nonprofit corporation."

WHITE RIVER TOWNSHIP, JOHNSON COUNTY
EXAMINATION RESULT AND COMMENT

BOARD MINUTES

Not all minutes of meetings of the governing body were presented for audit for 2008 and 2009. Also, there were instances noted where the minutes had not been approved and/or signed.

IC 5-14-1.5-4(b) states:

"As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5."

WHITE RIVER TOWNSHIP, JOHNSON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2010, with Jay W. Marks, Trustee. The official response has been made a part of this report and may be found on pages 9 and 10.

WHITE RIVER TOWNSHIP JOHNSON COUNTY, INDIANA

Jay W. Marks
Trustee

"OFFICIAL RESPONSE"

This letter is in response to the White River Township, Johnson County SBOA examination of the records for WRT for 2008-2009 and some of 2010.

On 9-27-2010 the SBOA schedule an exit interview with board chairman Mark Mesick and myself as trustee for 7:00 AM, the chairman advised he would attend the meeting, we waited for over 10 minutes for him, then the examiner, her supervisor and myself conducted the meeting and I signed off on the exit papers. On Tuesday 9-28-10 I asked Mark why he didn't attend the meeting and he stated to me it was too early and he didn't start work till 8:30 so he didn't want to get up and attend the meeting.

WRT received one comment for 2008-2009 and this pertains to the board minutes.

"Not all minutes of meetings of the governing body were available for audit for 2008 and 2009. Also, there were instances noted where the minutes had not been approved and / or signed.

IC 5-14-1.5-4(b) states "As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or 20-12-63-7.

Then the following is what is posted in the Township Guidelines from the SBOA.

IC 36-6-6-8**Record of proceedings**

Sec. 8. The legislative body shall keep a permanent record of its proceedings in a book furnished by the executive. The secretary of the legislative body shall, under the direction of the legislative body, record the minutes of the proceedings of each meeting in full and shall provide copies of the minutes to each member of the legislative body before the next meeting is convened. After the minutes are approved by the legislative body, the secretary of the legislative body shall place the minutes in the permanent record book. The chairman of the legislative body shall retain the record in his custody.

As added by Acts 1980, P.L. 212, SEC. 5. Amended by P.L. 98-2000, SEC. 25.

As stated above these task have not been performed by the township board for most of 2009 and none of 2010 to date of this writing, (around 24 meetings have not been recorded to date) the taxpayers of the township and others have no means to view these documents. The chairman Mark Mesick has been asked repeatedly to provide copies of his records to the trustee's office to make copies and this has been denied on every request. I requested these same records when the examiner requested them at the start of this examination to no avail from the chairman.

Respectfully,

 *J. Marks* Trustee

Jay W. Marks
White River Township Trustee
Johnson County

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