

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

HIGHLAND TOWNSHIP

GREENE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
05/28/2013

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Willard Neill	01-01-07 to 12-31-10
	Sally Lynn Neill	01-01-11 to 12-31-14
Chairman of the Township Board	David Neill	01-01-10 to 12-31-13



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 HIGHLAND TOWNSHIP, GREENE COUNTY, INDIANA

We have examined the accompanying financial statements of Highland Township (Township), for the period of January 1, 2010 to December 31, 2011. The financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on the financial statements 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Township for the period of January 1, 2010 to December 31, 2011.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Township for the period of January 1, 2010 to December 31, 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Township's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

Bruce Hartman
State Examiner

April 24, 2013

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Township.
The financial statements and notes are presented as intended by the Township.

HIGHLAND TOWNSHIP, GREENE COUNTY
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Township	\$ 4,005	\$ 13,172	\$ 18,717	\$ (1,540)
Township Assistance	12,913	2,781	4,990	10,704
Fire Fighting	10,272	25,881	31,828	4,325
Cumulative Fire	49,328	3,372	5,000	47,700
Levy Excess	-	64	-	64
Rainy Day	1,747	765	-	2,512
Fire Donation	1,658	500	-	2,158
Greene County Trustees Association	25,591	43,992	46,940	22,643
Payroll Withholdings	1,372	10,001	9,846	1,527
Totals	<u>\$ 106,886</u>	<u>\$ 100,528</u>	<u>\$ 117,321</u>	<u>\$ 90,093</u>

The notes to the financial statements are an integral part of this statement.

HIGHLAND TOWNSHIP, GREENE COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Township	\$ (1,540)	\$ 14,474	\$ 20,205	\$ (7,271)
Township Assistance	10,704	227	1,603	9,328
Fire Fighting	4,325	18,233	22,663	(105)
Rainy Day	2,512	-	-	2,512
Levy Excess	64	-	-	64
Cumulative Fire	47,700	3,623	-	51,323
Fire Donation	2,158	-	-	2,158
Greene County Trustees Association	22,643	5	22,648	-
Payroll Withholdings	<u>1,527</u>	<u>4,692</u>	<u>5,481</u>	<u>738</u>
Totals	<u>\$ 90,093</u>	<u>\$ 41,254</u>	<u>\$ 72,600</u>	<u>\$ 58,747</u>

The notes to the financial statements are an integral part of this statement.

HIGHLAND TOWNSHIP, GREENE COUNTY
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Township was established under the laws of the State of Indiana. The Township operates under a township trustee/township board form of government and provides some or all of the following services: public safety (fire), health and social services (township assistance), culture and recreation (parks and/or community centers), and general administrative services (weed and dog control).

The accompanying financial statements present the financial information for the Township.

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, boat and trailer excise tax, and other taxes that are set by the Township.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling

HIGHLAND TOWNSHIP, GREENE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Township may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Township. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Township. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Township in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

HIGHLAND TOWNSHIP, GREENE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Township submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Township in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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 5. Risk Management

The Township may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Township to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

HIGHLAND TOWNSHIP, GREENE COUNTY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

Note 7. Cash Balance Deficits

The financial statements contain some funds with deficits in cash. This is a result of tax distributions being exceeded by expenditures. These deficits will be made up in the future.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Township's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Township's Annual Report information for years 2011 and later can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Township which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Township. It is presented as intended by the Township.

HIGHLAND TOWNSHIP, GREENE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	<u>Township</u>	<u>Township Assistance</u>	<u>Fire Fighting</u>	<u>Cumulative Fire</u>	<u>Levy Excess</u>
Cash and investments - beginning	\$ 4,005	\$ 12,913	\$ 10,272	\$ 49,328	\$ -
Receipts:					
Taxes	13,035	2,781	16,240	3,372	64
Intergovernmental	-	-	4,500	-	-
Charges for services	-	-	-	-	-
Other receipts	137	-	5,141	-	-
Total receipts	<u>13,172</u>	<u>2,781</u>	<u>25,881</u>	<u>3,372</u>	<u>64</u>
Disbursements:					
Personal services	14,149	1,615	-	-	-
Supplies	338	-	-	-	-
Other services and charges	3,815	885	29,828	-	-
Capital outlay	415	-	2,000	-	-
Other disbursements	-	2,490	-	5,000	-
Total disbursements	<u>18,717</u>	<u>4,990</u>	<u>31,828</u>	<u>5,000</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(5,545)</u>	<u>(2,209)</u>	<u>(5,947)</u>	<u>(1,628)</u>	<u>64</u>
Cash and investments - ending	<u>\$ (1,540)</u>	<u>\$ 10,704</u>	<u>\$ 4,325</u>	<u>\$ 47,700</u>	<u>\$ 64</u>

HIGHLAND TOWNSHIP, GREENE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Rainy Day	Fire Donation	Greene County Trustees Association	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 1,747	\$ 1,658	\$ 25,591	\$ 1,372	\$ 106,886
Receipts:					
Taxes	-	-	-	-	35,492
Intergovernmental	765	-	-	-	5,265
Charges for services	-	-	43,920	-	43,920
Other receipts	-	500	72	10,001	15,851
Total receipts	<u>765</u>	<u>500</u>	<u>43,992</u>	<u>10,001</u>	<u>100,528</u>
Disbursements:					
Personal services	-	-	45,578	-	61,342
Supplies	-	-	937	-	1,275
Other services and charges	-	-	100	-	34,628
Capital outlay	-	-	325	-	2,740
Other disbursements	-	-	-	9,846	17,336
Total disbursements	<u>-</u>	<u>-</u>	<u>46,940</u>	<u>9,846</u>	<u>117,321</u>
Excess (deficiency) of receipts over disbursements	<u>765</u>	<u>500</u>	<u>(2,948)</u>	<u>155</u>	<u>(16,793)</u>
Cash and investments - ending	<u>\$ 2,512</u>	<u>\$ 2,158</u>	<u>\$ 22,643</u>	<u>\$ 1,527</u>	<u>\$ 90,093</u>

HIGHLAND TOWNSHIP, GREENE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	<u>Township</u>	<u>Township Assistance</u>	<u>Fire Fighting</u>	<u>Rainy Day</u>	<u>Levy Excess</u>
Cash and investments - beginning	\$ (1,540)	\$ 10,704	\$ 4,325	\$ 2,512	\$ 64
Receipts:					
Taxes	2,687	30	17,339	-	-
Intergovernmental	11,699	197	335	-	-
Other receipts	<u>88</u>	<u>-</u>	<u>559</u>	<u>-</u>	<u>-</u>
Total receipts	<u>14,474</u>	<u>227</u>	<u>18,233</u>	<u>-</u>	<u>-</u>
Disbursements:					
Personal services	14,848	-	-	-	-
Supplies	46	52	-	-	-
Other services and charges	5,311	1,551	22,663	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>20,205</u>	<u>1,603</u>	<u>22,663</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(5,731)</u>	<u>(1,376)</u>	<u>(4,430)</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ (7,271)</u>	<u>\$ 9,328</u>	<u>\$ (105)</u>	<u>\$ 2,512</u>	<u>\$ 64</u>

HIGHLAND TOWNSHIP, GREENE COUNTY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Cumulative Fire	Fire Donation	Greene County Trustees Association	Payroll Withholdings	Totals
Cash and investments - beginning	\$ 47,700	\$ 2,158	\$ 22,643	\$ 1,527	\$ 90,093
Receipts:					
Taxes	3,554	-	-	-	23,610
Intergovernmental	69	-	-	-	12,300
Other receipts	-	-	5	4,692	5,344
Total receipts	<u>3,623</u>	<u>-</u>	<u>5</u>	<u>4,692</u>	<u>41,254</u>
Disbursements:					
Personal services	-	-	14,980	-	29,828
Supplies	-	-	271	-	369
Other services and charges	-	-	-	-	29,525
Other disbursements	-	-	7,397	5,481	12,878
Total disbursements	<u>-</u>	<u>-</u>	<u>22,648</u>	<u>5,481</u>	<u>72,600</u>
Excess (deficiency) of receipts over disbursements	<u>3,623</u>	<u>-</u>	<u>(22,643)</u>	<u>(789)</u>	<u>(31,346)</u>
Cash and investments - ending	<u>\$ 51,323</u>	<u>\$ 2,158</u>	<u>\$ -</u>	<u>\$ 738</u>	<u>\$ 58,747</u>

HIGHLAND TOWNSHIP, GREENE COUNTY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2011

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	<u>\$ 15</u>	<u>\$ -</u>

HIGHLAND TOWNSHIP, GREENE COUNTY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 5,000
Buildings	40,000
Improvements other than buildings	2,675
Machinery, equipment, and vehicles	276,676
Total governmental activities	324,351
Total capital assets	\$ 324,351

HIGHLAND TOWNSHIP, GREENE COUNTY
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for examination for 2011.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

OVERDRAWN FUND BALANCES

The Township Fund had an overdrawn fund balance as of December 31, 2010, \$1,540, and as of December 31, 2011, \$7,271. The Fire Fighting Fund had an overdrawn fund balance as of December 31, 2011, \$105.

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)

PUBLIC RECORDS RETENTION

The following records were not retained for examination:

Fourth Quarter 2011 Form 941

2011 Board Members W-2's

2011 State Tax Withholding Reports

Indiana Code 5-15-6-3(f) states in part: "Original records may be disposed of only with the approval of the commission according to guidelines established by the commission."

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

Federal Income, Social Security, and Medicare taxes were withheld from the Township Board members' salaries, but some of these payroll taxes were not remitted to the Internal Revenue Service.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

HIGHLAND TOWNSHIP, GREENE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

PENALTIES

Penalties of \$60 were paid to the Indiana Department of Revenue on October 2, 2011, for late filing of 2010 W-2's.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

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)

CERTIFIED REPORT (Form 100R) NOT FILED TIMELY

The Township did not file the Certified Report of Names, Addresses, Duties, and Compensation of Public Employees (Form 100R or its equivalent) for 2011 with the State Board of Accounts on a timely basis.

Indiana Code 5-11-13-1 states in part:

"Every . . . township . . . shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents...and the respective duties and compensation of each, and shall forthwith file said report in the office of the State Examiner of the State Board of Accounts."

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Fire Fighting	2010	<u>\$ 8,828</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

HIGHLAND TOWNSHIP, GREENE COUNTY
EXAMINATION RESULTS AND COMMENTS
(Continued)

TRUSTEE COMPENSATION

Sally Lynn Neill, Trustee, was paid an additional \$5,000 for performing the Township Clerk's duties in addition to her regular Trustee salary of \$7,000 for the year 2011. Mrs. Neill will enter into a written agreement with the Township Board to make arrangements to repay the 2011 overpayment. The Township Board will establish a salary schedule in 2013 for the 2014 year that could be increased by the amount (\$5,000), so the amount previously received by the Trustee would be legally allowed. The Township Board will then have to decide the Trustee's salary when establishing the Township budget for 2015.

Indiana Code 36-6-6-10 states in part:

"(b) The township legislative body shall fix the: (1) salaries; (2) wages; (3) rates of hourly pay; and (4) remuneration other than statutory allowances; of all officers and employees of the township. . . . the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, . . ."

HIGHLAND TOWNSHIP, GREENE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on April 24, 2013, with Sally Lynn Neill, Trustee. The official concurred with our findings.