

TOWNSHIP ANNUAL REPORT INSTRUCTIONS

OVERVIEW

The 2000 Iowa Legislature made significant changes in the annual reporting requirements for townships. The Code of Iowa, Chapter 359.23 Receipts and Expenditures, states the following:

Each township clerk shall prepare, on or before September 30 of each year, a statement in writing, showing all receipts of money and disbursements in the clerk's office for each separate tax levy authorized by law for the preceding fiscal year, showing the current public debt of the township, and showing the balance as of June 30 of all separate reserve accounts held by the township, which shall be certified as correct by the trustees of the township. The statement shall be in a form prescribed by the county finance committee in consultation with the department of management. Each township clerk shall send a copy of this written statement to the county auditor no later than seven days after the statement is certified by the trustees. The county auditor shall post the statement or a summary of the statement in a prominent place in the building where the auditor's office is located. The county treasurer shall withhold disbursement of township taxes until the statement is filed with the county auditor. The county auditor shall notify the county treasurer if taxes are to be withheld.

The county auditor may waive the requirement that a township send a copy of the written financial statement to the county auditor.

This chapter requires township clerks to prepare a statement of receipts and expenditures **on or before September 30 of each year**. The statement will be prepared on standardized forms. The forms are to be submitted to the County Auditor no more than seven days after the township trustees certify it. The County Auditor will post the statement in the building where the Auditor's Office is located. The County Treasurer is to withhold payment of taxes until the statement is filed with the County Auditor.

The Code of Iowa, Chapter 359.51 Separate Accounts, states the following:

A township shall keep separate accounts corresponding to the items in the township's adopted or amended budget. A township shall keep accounts which provide an accurate and detailed statement of all public funds collected, received, or expended for any township purpose, by any township officer, employee, or other person, and which show the receipt, use, and disposition of all township property.

This chapter requires that townships account for each "item", or levy, in the budget separately. This means that the financial activity should be tracked in a separate "fund" for each levy. This **does not** mean that there must be separate bank accounts for each fund. All township funds may be combined into one bank account, the clerk's records need to identify receipts and disbursements and balances by individual fund.

The Township Annual Report Form (Form TOWNAR) consists of five pages:

- Page S - SUMMARY STATEMENT OF RECEIPTS AND DISBURSEMENTS
This is a summary statement of the financial activity of the township. It also lists any outstanding year-end debt and reserve balances.
- Page R1 - STATEMENT OF RECEIPTS:
This form is for recording the individual beginning fund balances for the township and recording township receipts by fund.
- Page R2 - STATEMENT OF RECEIPTS (continued):
This is continuation of Page R1. Use this page if a second (or more) page is needed to record receipts.
- Page D1 - STATEMENT OF DISBURSEMENTS:
This form is for recording the township disbursements by fund and recording individual ending fund balances for the township.
- Page D2 - STATEMENT OF DISBURSEMENTS (continued):
This is continuation of Page D1. Use this page if a second (or more) page is needed to record disbursements.

WHERE TO BEGIN

RECEIPTS

Start by completing the STATEMENT OF RECEIPTS, page R1. The township funds covered by this report should be listed in the boxes on line 2 at the top of the columns and below TOWNSHIP FUNDS. All funds should be included, including Owned Cemetery and Park, Non-owned Cemetery, Township Hall, Township Hall Repairs, Library, Litigation, Tort Liability, Fire and Emergency Services, and any other funds under the township's control.

Fill in the County and Township name and the Fiscal Year covered by the report.

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BEGINNING FUND BALANCE – List the fund balance at the start of the year for each fund. The Total Fund Balance is made up of any cash on hand (petty cash), money in checking and savings accounts and in certificates of deposit, and any other funds belonging to the township. July 1 balances in reserves for fire and emergency services are also included.

RECEIPTS DURING FISCAL YEAR – List receipts for the year in the appropriate fund column. If you need more than one page to list receipts, use one or more of Page R2; total each individual page and include the total of all attached pages on line 38 - TOTAL REVENUE FROM ATTACHED PAGES on Page R1.

Add the receipts on Page R1 and line 38 - TOTAL REVENUE FROM ATTACHED PAGES and put the total on line 39 - TOTAL REVENUE FOR YEAR.

TOTAL TO BE ACCOUNTED FOR – Add line 7 - TOTAL BEGINNING FUND BALANCE and line 39 – TOTAL REVENUE FOR YEAR.

DISBURSEMENTS

The STATEMENT OF DISBURSEMENTS, Page D1, should be completed next. Fill in the County and Township name and the Fiscal Year covered by the report. The Township Funds should be in the same columns as used on line 2 of the STATEMENT OF RECEIPTS. List disbursements for the year in the appropriate fund column. If you need more than one page to list disbursements, use one or more of Page D2; total each individual page and include the total of all attached pages on line 33 - TOTAL DISBURSEMENTS FROM ATTACHED PAGES on Page D1.

Add the disbursements on Page D1 and line 33 - TOTAL DISBURSEMENTS FROM ATTACHED PAGES and put the total on line 34 - TOTAL DISBURSEMENTS FOR YEAR.

ENDING FUND BALANCE – List the fund balance at the end of the year for each fund. The Total Fund Balance is made up of any cash on hand (petty cash), money in checking and savings accounts and in certificates of deposit, and any other funds belonging to the township. June 30 balances in reserves for fire and emergency services are also included.

TOTAL TO BE ACCOUNTED FOR – Add line 34 - TOTAL DISBURSEMENTS FOR YEAR and line 39 – TOTAL ENDING FUND BALANCE. Page D1, line 40 **MUST AGREE WITH** line 40 on Page R1.

SUMMARY

The SUMMARY STATEMENT OF RECEIPTS AND DISBURSEMENTS, Page S, is completed using information from the STATEMENT OF RECEIPTS and the STATEMENT OF DISBURSEMENTS forms. Fill in the County and Township name and the Fiscal Year covered by the report. The Township Funds should be in the same columns as used on line 2 of the STATEMENT OF RECEIPTS. The beginning fund balances from line 7 of Page R1 should be put on Line 2. The Total Revenue on Line 39 of Page R2 should be put on line 3. The Total Disbursements on line 34 of Page D1 should be put on line 4. The Ending Fund Balances on Line 39 of Page D1 should be put on Line 5. Line 2 plus line 3 minus line 4 should equal line 5.

Any bonds or other public debt of the township should be shown on line 6 in the appropriate column.

Any reserve funds at the end of the year should be shown on Line 7 in the appropriate column.

CERTIFICATION

The Summary should be certified by the Trustees and signed by the Clerk and Trustees. The Statement must be submitted to the County Auditor within seven days after it is certified by the trustees.

If you need additional assistance, contact your County Auditor.