

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
WARREN TOWNSHIP
MARION COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
7/28/06

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OFFICIALS

Office

Official

Term

Trustee

Tom Marendt

01-01-03 to 12-31-06

Chairman of the
Township Board

Andy Whitehurst
William Klepper

01-01-04 to 12-31-04
01-01-05 to 12-31-06



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WARREN TOWNSHIP, MARION COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Warren Township (Township), for the period of January 1, 2004 to December 31, 2005. The Township's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 29, 2006

WARREN TOWNSHIP, MARION 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 782,102	\$ 772,820	\$ 1,078,005	\$ 476,917
Dog	882	680	604	958
Township Assistance	969,354	1,504	128,876	841,982
Communication Grant	4,413	152,780	4,413	152,780
Firefighting	1,219,662	10,687,739	10,499,072	1,408,329
Fire Building Debt	333,706	482,373	647,753	168,326
Cumulative Fire	2,724,002	383,994	-	3,107,996
Rainy Day	14,497	24,246	-	38,743
Fire Equipment Debt	232,751	374,474	400,677	206,548
Capital Projects	1,771,270	214,474	450,141	1,535,603
Loan and Interest Payment	216	1,920,106	1,920,322	-
2004 Hazardous Materials Grant	-	50,000	19,130	30,870
Levy Excess	-	172,170	-	172,170
Fiduciary Funds:				
Court Fees	7,953	915,119	916,372	6,700
Court Trust	40,806	2,230,133	2,225,657	45,282
Fire Pension	532,898	182,852	310,713	405,037
Payroll Withholdings	(61,823)	2,626,170	2,553,422	10,925
Totals	<u>\$ 8,572,689</u>	<u>\$ 21,191,634</u>	<u>\$ 21,155,157</u>	<u>\$ 8,609,166</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 476,917	\$ 919,024	\$ 980,910	\$ 415,031
Dog	958	623	684	897
Township Assistance	841,982	4,202	165,421	680,763
Communication Grant	152,780	339,467	492,247	-
Firefighting	1,408,329	10,263,050	11,295,309	376,070
Fire Building Debt	168,326	344,880	339,538	173,668
Cumulative Fire	3,107,996	769,114	1,031,829	2,845,281
Rainy Day	38,743	-	-	38,743
Fire Equipment Debt	206,548	390,661	400,512	196,697
Capital Projects	1,535,603	-	1,535,603	-
Loan and Interest Payment	-	1,478,103	1,478,103	-
2004 Hazardous Materials Grant	30,870	-	30,870	-
Heart Monitor Federal Grant	-	88,200	88,200	-
Levy Excess	172,170	-	172,170	-
Fiduciary Funds:				
Court Fees	6,700	990,871	980,794	16,777
Court Trust	45,282	1,974,002	1,970,894	48,390
Fire Pension	405,037	177,555	322,742	259,850
Payroll Withholdings	10,925	2,708,799	2,684,330	35,394
Totals	<u>\$ 8,609,166</u>	<u>\$ 20,448,551</u>	<u>\$ 23,970,156</u>	<u>\$ 5,087,561</u>

The accompanying notes are an integral part of the schedules.

WARREN TOWNSHIP, MARION COUNTY
NOTES TO SCHEDULES

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, 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.

WARREN TOWNSHIP, MARION COUNTY
NOTES TO SCHEDULES
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), 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 PERF 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% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

Note 7. Long-Term Debt

The Township has entered into debt such as general obligation bonds and loans for fire equipment and apparatus, respectively. The outstanding principal at December 31, 2005, was \$103,000 and \$3,006,709, respectively.

WARREN TOWNSHIP, MARION COUNTY
EXAMINATION RESULT AND COMMENT

RECEIPT ISSUANCE - Emergency Medical Services

Receipts were not issued for payments made with a check to the Emergency Medical Services section of the Fire Department. Receipts were only issued for cash collections.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WARREN TOWNSHIP, MARION COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 29, 2006, with Tom Marendt. The official response has been made a part of this report and may be found on page 9.



Tom Marendt, *Trustee*
WARREN TOWNSHIP
of **MARION COUNTY**

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July 7, 2006

State Board of Accounts
302 West Washington Street – Room E418
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Dear State Board of Accounts:

This is the response of the Warren Township Trustee, Marion County, to a comment in the January 1, 2004, to December 31, 2005, audit recently completed by your office.

During the exit interview, we were told that the Field Examiner had made a comment in the audit report that we should issue receipts on ambulance-run payments for checks as well as for cash. We will implement this change in our procedures. Our past practice has been to use the deposited check as proof of its receipt.

It is our understanding that this comment is subject to further review at this time.

Sincerely,

Tom Marendt
Warren Township Trustee