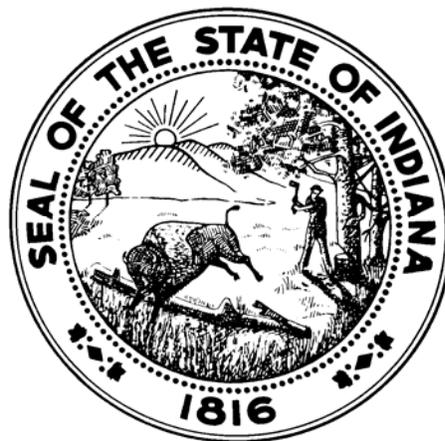


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
WASHINGTON TOWNSHIP
MORGAN COUNTY, INDIANA
January 1, 1999 to December 31, 2005



FILED
08/09/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	John C. Neal	01-01-99 to 12-31-06
Chairman of the Township Board	Robert O'Neal	01-01-99 to 12-31-00
	Scott Manley	01-01-01 to 12-31-01
	Karen Kindred	01-01-02 to 12-31-02
	Scott Manley	01-01-03 to 12-31-03
	Paul Prather	01-01-04 to 12-31-05
	Melvin Manley	01-01-06 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, MORGAN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Washington Township (Township), for the period of January 1, 1999 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, 1999, 2000, 2001, 2002, 2003, 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 12, 2006

WASHINGTON TOWNSHIP, MORGAN 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, 1999, 2000, 2001, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-99	Receipts	Disbursements	Cash and Investments 12-31-99
Governmental Funds:				
General	\$ 33,600	\$ 41,926	\$ 38,468	\$ 37,058
Dog	588	516	288	816
Township Assistance	46,490	17,287	17,719	46,058
Firefighting	64,116	355,227	343,863	75,480
Fire Debt	1,110	31,093	30,359	1,844
Cumulative Fire	74,394	46,082	24,999	95,477
Fiduciary Fund:				
Payroll Withholdings	-	47,966	47,966	-
Totals	<u>\$ 220,298</u>	<u>\$ 540,097</u>	<u>\$ 503,662</u>	<u>\$ 256,733</u>

	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
Governmental Funds:				
General	\$ 37,058	\$ 45,082	\$ 37,117	\$ 45,023
Dog	816	472	1,140	148
Township Assistance	46,058	18,157	25,624	38,591
Firefighting	75,480	360,041	361,019	74,502
Fire Debt	1,844	31,675	30,359	3,160
Cumulative Fire	95,477	98,629	-	194,106
Fiduciary Fund:				
Payroll Withholdings	-	51,607	51,607	-
Totals	<u>\$ 256,733</u>	<u>\$ 605,663</u>	<u>\$ 506,866</u>	<u>\$ 355,530</u>

	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
Governmental Funds:				
General	\$ 45,023	\$ 48,918	\$ 51,695	\$ 42,246
Dog	148	406	-	554
Township Assistance	38,591	18,847	29,557	27,881
Firefighting	74,502	627,465	656,147	45,820
Rainy Day	-	9,500	-	9,500
Fire Debt	3,160	30,377	30,359	3,178
Cumulative Fire	194,106	44,937	89,573	149,470
Fiduciary Fund:				
Payroll Withholdings	-	67,329	67,329	-
Totals	<u>\$ 355,530</u>	<u>\$ 847,779</u>	<u>\$ 924,660</u>	<u>\$ 278,649</u>

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 42,246	\$ 50,444	\$ 53,107	\$ 39,583
Dog	554	530	309	775
Township Assistance	27,881	35,860	36,567	27,174
Firefighting	45,820	471,089	423,135	93,774
Rainy Day	9,500	11,125	-	20,625
Fire Debt	3,178	92,933	77,869	18,242
Cumulative Fire	149,470	44,945	36,087	158,328
Fiduciary Fund:				
Payroll Withholdings	-	70,604	70,604	-
Totals	<u>\$ 278,649</u>	<u>\$ 777,530</u>	<u>\$ 697,678</u>	<u>\$ 358,501</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON TOWNSHIP, MORGAN 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, 1999, 2000, 2001, 2002, 2003, 2004, And 2005
(Continued)

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 39,583	\$ 108,497	\$ 62,523	\$ 85,557
Dog	775	301	488	588
Township Assistance	27,174	70,714	45,469	52,419
Firefighting	93,774	436,445	464,060	66,159
Rainy Day	20,625	22,000	9,410	33,215
Fire Debt	18,242	70,232	45,940	42,534
Cumulative Fire	158,328	72,849	20,461	210,716
Fiduciary Fund:				
Payroll Withholdings	-	72,051	72,052	(1)
Totals	<u>\$ 358,501</u>	<u>\$ 853,089</u>	<u>\$ 720,403</u>	<u>\$ 491,187</u>
	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 85,557	\$ 132,504	\$ 63,615	\$ 154,446
Dog	588	433	306	715
Township Assistance	52,419	69,643	42,851	79,211
Firefighting	66,159	638,603	532,358	172,404
Rainy Day	33,215	-	3,442	29,773
Fire Debt	42,534	41,765	45,986	38,313
Cumulative Fire	210,716	71,172	46,642	235,246
Fiduciary Fund:				
Payroll Withholdings	(1)	90,937	90,425	511
Totals	<u>\$ 491,187</u>	<u>\$ 1,045,057</u>	<u>\$ 825,625</u>	<u>\$ 710,619</u>
	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 154,446	\$ 146,041	\$ 67,085	\$ 233,402
Dog	715	336	415	636
Township Assistance	79,211	46,711	38,603	87,319
Firefighting	172,404	608,921	544,541	236,784
Rainy Day	29,773	-	5,672	24,101
Levy Excess	-	2,084	-	2,084
Fire Debt	38,313	39,470	46,866	30,917
Fire Equipment Debt	-	319,055	304,772	14,283
Cumulative Fire	235,246	71,647	14,349	292,544
Fiduciary Fund:				
Payroll Withholdings	511	87,555	87,816	250
Totals	<u>\$ 710,619</u>	<u>\$ 1,321,820</u>	<u>\$ 1,110,119</u>	<u>\$ 922,320</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON TOWNSHIP, MORGAN 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.

WASHINGTON TOWNSHIP, MORGAN 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 gives 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 a loan for a fire truck. The outstanding principal at December 31, 2005, was \$90,122.

WASHINGTON TOWNSHIP, MORGAN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 13, 2006, with John C. Neal, Trustee. Our examination disclosed no material items that warrant comment at this time.