

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

EXAMINATION REPORT  
OF  
COLUMBIA TOWNSHIP  
WHITLEY COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
09/27/2006



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OFFICIALS

Office

Official

Term

Trustee

Sharon Moore

01-01-03 to 12-31-06

Chairman of the  
Township Board

Laura Kyler

01-01-04 to 12-31-06



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF COLUMBIA TOWNSHIP, WHITLEY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Columbia 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

August 31, 2006

COLUMBIA TOWNSHIP, WHITLEY 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	\$ 83,906	\$ 87,212	\$ 132,037	\$ 39,081
Dog	790	566	522	834
Township Assistance	187,666	46,174	23,324	210,516
Firefighting	38,741	67,806	73,379	33,168
Park and Recreation	63,576	12,201	5,173	70,604
Levy Excess	988	-	988	-
Fire Debt	15,247	19,122	26,006	8,363
Cumulative Fire	224,397	33,834	9,575	248,656
Fiduciary Fund:				
Payroll Withholdings	153	8,817	8,809	161
Totals	<u>\$ 615,464</u>	<u>\$ 275,732</u>	<u>\$ 279,813</u>	<u>\$ 611,383</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 39,081	\$ 85,866	\$ 81,564	\$ 43,383
Dog	834	528	447	915
Township Assistance	210,516	52,088	29,385	233,219
Firefighting	33,168	80,010	70,548	42,630
Park and Recreation	70,604	8,549	4,716	74,437
Fire Debt	8,363	32,644	26,006	15,001
Cumulative Fire	248,656	28,196	-	276,852
Fiduciary Fund:				
Payroll Withholdings	161	8,062	8,054	169
Totals	<u>\$ 611,383</u>	<u>\$ 295,943</u>	<u>\$ 220,720</u>	<u>\$ 686,606</u>

The accompanying notes are an integral part of the schedules.

COLUMBIA TOWNSHIP, WHITLEY 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, 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.

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.

COLUMBIA TOWNSHIP, WHITLEY 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 a loan for the purchase of a fire truck. The outstanding principal at December 31, 2005, was \$12,638.

COLUMBIA TOWNSHIP, WHITLEY COUNTY  
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

The Township does not maintain an adequate record of capital assets. The only amounts listed were for mowers and a truck used at the cemeteries. Other equipment is listed for the Township and Fire Department, but no amounts are included.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

SUPPORTING DOCUMENTATION

The Township made seven payments to Platinum Plus for Business for Columbia Township Volunteer Fire Department purchases during the audit period. Five of the seven payments made were based upon the credit card statement only.

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

The Township did not comply with directives of the Internal Revenue Service and Indiana Department of Revenue by reporting on Form 1099 amounts paid to Township Board members (\$610 each during 2004 and \$640 each during 2005) or an individual for cemetery mowing expenses of \$953 during 2004 and \$959 during 2005.

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)

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)

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)

COLUMBIA TOWNSHIP, WHITLEY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2006, with Sharon Moore, Trustee. The official concurred with our findings.