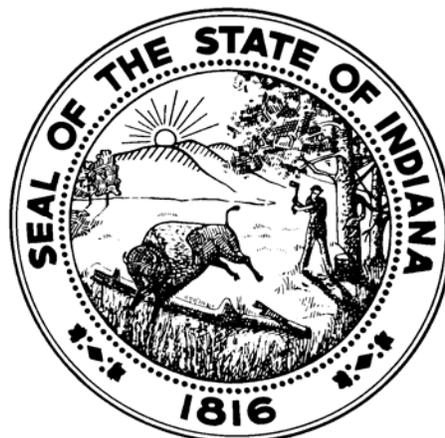


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF  
GRANT TOWNSHIP  
NEWTON COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
10/26/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Richard Schuette	01-01-03 to 12-31-06
Chairman of the Township Board	Kay Babcock	01-01-04 to 12-31-04
	Dennis Edmonds	01-01-05 to 12-31-05
	Jeffery Welsh	01-01-06 to 12-31-06



**STATE OF INDIANA**  
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Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GRANT TOWNSHIP, NEWTON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Grant 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 28, 2006

GRANT TOWNSHIP, NEWTON COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL 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:				
Township	\$ 61,345	\$ 24,039	\$ 20,316	\$ 65,068
Dog	376	42	76	342
Township Assistance	25,338	5,853	2,411	28,780
Firefighting	49,932	11,439	5,948	55,423
Landfill	32,842	38,055	-	70,897
Rainy Day	-	1,991	-	1,991
Cumulative Fire	5,441	29	-	5,470
Totals	<u>\$ 175,274</u>	<u>\$ 81,448</u>	<u>\$ 28,751</u>	<u>\$ 227,971</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 65,068	\$ 24,345	\$ 20,459	\$ 68,954
Dog	342	78	54	366
Township Assistance	28,780	6,243	2,103	32,920
Firefighting	55,423	11,671	6,424	60,670
Landfill	70,897	48,602	19,500	99,999
Rainy Day	1,991	9	-	2,000
Levy Excess	-	481	-	481
Cumulative Fire	5,470	35	-	5,505
Totals	<u>\$ 227,971</u>	<u>\$ 91,464</u>	<u>\$ 48,540</u>	<u>\$ 270,895</u>

The accompanying notes are an integral part of the schedules.

GRANT TOWNSHIP, NEWTON 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.

GRANT TOWNSHIP, NEWTON 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.

GRANT TOWNSHIP, NEWTON COUNTY  
EXAMINATION RESULT AND COMMENT

DONATIONS

The Township donated \$9,500 to outside organizations during the period examined.

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

GRANT TOWNSHIP, NEWTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 28, 2006, with Richard Schuette, Trustee.