

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
WASHINGTON TOWNSHIP
WASHINGTON COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
09/21/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information: Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information.....	5
Examination Results and Comments: Transaction Recording.....	6
Appropriations.....	6
Capital Asset Records	6
Exit Conference	7

OFFICIALS

Office

Official

Term

Trustee

Brice Robinson

01-01-03 to 12-31-10

Chairman of the
Township Board

Harry Baker

01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Washington Township (Township), for the period of January 1, 2005 to December 31, 2006. The Township's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 25, 2007

WASHINGTON TOWNSHIP, WASHINGTON COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 234,865	\$ 62,617	\$ 22,905	\$ 274,577
Dog	403	86	155	334
Township Assistance	108,595	32,694	23,028	118,261
Firefighting	712	98,357	97,464	1,605
Cumulative Fire	116,012	33,332	778	148,566
Rainy Day	2,545	-	-	2,545
Totals	<u>\$ 463,132</u>	<u>\$ 227,086</u>	<u>\$ 144,330</u>	<u>\$ 545,888</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 274,577	\$ 78,021	\$ 22,458	\$ 330,140
Dog	334	270	604	-
Township Assistance	118,261	34,122	23,727	128,656
Firefighting	1,605	97,549	95,963	3,191
Cumulative Fire	148,566	31,828	-	180,394
Rainy Day	2,545	-	-	2,545
Totals	<u>\$ 545,888</u>	<u>\$ 241,790</u>	<u>\$ 142,752</u>	<u>\$ 644,926</u>

The accompanying notes are an integral part of the financial information.

WASHINGTON TOWNSHIP, WASHINGTON COUNTY
NOTES TO FINANCIAL INFORMATION

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.

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.

Note 6. Subsequent Event

In March 2007, the Township purchased a fire truck from Central States Fire Apparatus, LLC, for \$164,950 from the Cumulative Fire Fund.

WASHINGTON TOWNSHIP, WASHINGTON COUNTY
EXAMINATION RESULTS AND COMMENTS

TRANSACTION RECORDING

Financial records presented for examination were incomplete and not reflective of the activity of the General and Cumulative Fire Funds. The interest earned from money market accounts had not been posted to the funds.

All financial transactions pertaining to the governmental unit should be recorded in the records of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Firefighting Fund	2005	<u>\$ 2,459</u>

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

CAPITAL ASSET RECORDS

Information presented for examination did not indicate an inventory or record of capital assets. The Township does not have a detailed listing of any capital assets.

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 Assets 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)

WASHINGTON TOWNSHIP, WASHINGTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 26, 2007, with Brice Robinson, Trustee. The official concurred with our findings.