

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

EXAMINATION REPORT  
OF  
WARREN TOWNSHIP  
MARION COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
09/05/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Thomas L. Marendt Jeff Bennett	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	William Klepper	01-01-06 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Warren Township (Township), for the period of January 1, 2006 to December 31, 2007. 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 present fairly, in all material respects, the financial information of the Township for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

July 3, 2008

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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 415,031	\$ 1,107,528	\$ 951,154	\$ 571,405
Dog	897	-	897	-
Township Assistance	680,763	2,214	191,255	491,722
Firefighting	376,070	12,204,036	12,027,193	552,913
Rainy Day	38,744	-	-	38,744
Child Safety Car Seat Grant	-	2,500	1,240	1,260
Building Debt	173,668	54	169,768	3,954
Fire Equipment Debt	196,697	3,672	200,369	-
Loan and Interest Payment	-	1,251,201	1,251,201	-
Cumulative Fire	2,845,281	313,260	686,101	2,472,440
Fiduciary Funds:				
Fire Pension	259,850	174,815	337,763	96,902
Payroll Withholdings	35,394	2,978,799	2,995,076	19,117
Small Claims Court Fees	16,777	979,226	982,220	13,783
Small Claims Court Trust	48,390	2,436,045	2,345,266	139,169
Totals	<u>\$ 5,087,562</u>	<u>\$ 21,453,350</u>	<u>\$ 22,139,503</u>	<u>\$ 4,401,409</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 571,405	\$ 2,141,797	\$ 1,821,344	\$ 891,858
Township Assistance	491,722	7,714	226,846	272,590
Firefighting	552,913	11,913,916	11,742,088	724,741
Rainy Day	38,744	-	-	38,744
Child Safety Car Seat Grant	1,260	-	1,260	-
SCBA Grant 2007	-	190,840	190,840	-
Building Debt	3,954	-	3,954	-
Loan and Interest Payment	-	1,591,802	1,591,802	-
Cumulative Fire	2,472,440	927,011	1,256,378	2,143,073
Fiduciary Funds:				
Fire Pension	96,902	73,676	170,578	-
Payroll Withholdings	19,117	1,784,852	1,803,943	26
Small Claims Court Fees	13,783	749,947	752,093	11,637
Small Claims Court Trust	139,169	2,502,268	2,498,232	143,205
Totals	<u>\$ 4,401,409</u>	<u>\$ 21,883,823</u>	<u>\$ 22,059,358</u>	<u>\$ 4,225,874</u>

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

WARREN TOWNSHIP, MARION 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.

WARREN TOWNSHIP, MARION COUNTY  
NOTES TO FINANCIAL INFORMATION  
(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.

WARREN TOWNSHIP, MARION COUNTY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
As of December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 2,100,000
Machinery and equipment	<u>116,487</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 2,216,487</u>

WARREN TOWNSHIP, MARION COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

The Township has entered into the following long-term debt:

Description of Asset	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>		
Loans payable:		
Fire Apparatus	284,573	293,483
Fire Station #4	<u>332,089</u>	<u>339,538</u>
<b>Total governmental activities long-term debt</b>	<u><u>\$ 616,662</u></u>	<u><u>\$ 633,021</u></u>

WARREN TOWNSHIP, MARION COUNTY  
EXAMINATION RESULT AND COMMENT

EMERGENCY MEDICAL SERVICE COLLECTIONS NOT TIMELY DEPOSITED

We observed that Emergency Medical Service (EMS) collections for March 28, 2007 through April 25, 2007, were deposited on May 3, 2007, and EMS collections for April 26, 2007 through May 7, 2007, were deposited on May 25, 2007.

Indiana Code 5-13-6-1(c) states in part: "The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month."

WARREN TOWNSHIP, MARION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 3, 2008, with Jeff Bennett, Trustee; Kay Nagey, Deputy Trustee; and William Klepper, Chairman of the Township Board. The contents of this report were discussed on July 28, 2008, with Thomas L. Marendt, former Trustee. The official response has been made a part of this report and may be found on pages 11 and 12.

WARREN TOWNSHIP  
of MARION COUNTY

Jeff Bennett, Trustee



July 7, 2008

State Board of Accounts  
302 West Washington Street, Room E418  
Indianapolis, IN 46204-2738

RE: Official Response

Dear State Board of Accounts:

Thank you for the opportunity to submit an official response to the audit of Warren Township, Marion County, for the period January 1, 2006, to December 31, 2007. The contents of the audit report were discussed at an exit conference held on July 3, 2008, with Field Examiner Kathy Kemp. On behalf of the township, Deputy Trustee Kay Nagey and Township Board Chairman William Klepper joined me at the meeting.

At the exit conference and in the audit report, the Field Examiner commented that Emergency Medical Service (EMS) collections, on two instances examined, were not timely deposited. The township instituted a change in procedure in the second half of 2007 to insure that deposits of the public funds it collects are made in a timely manner, by the first and fifteenth day of each month, in compliance with IC 5-13-6-1(c).

Sincerely,



Jeff Bennett

cc: Kay Nagey

501 N. Post Road, Suite A  
Indianapolis, IN 46219  
p 317.897.2071  
f 317.897.0663

Thomas L. Marendt  
10311 Quiet Way  
Indianapolis, IN 46239  
Tommarendt2003@aol.com

August 5, 2008

State Board of Accounts  
302 W. Washington Street, Room E 418  
Indianapolis, IN 46204-2769

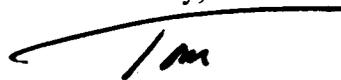
Re: Response of Tom Marendt, Warren Township Trustee

Dear State Board of Accounts:

In response to the State Board of Accounts examination results for Warren Township, Marion County for the time period of January 1, 2006 through December 31, 2007, please be advised that I was not the Trustee during the 2007 year for which this compliance finding was noted in your review and report.

I am requesting that this letter be made part of the official record. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'T. Marendt', written over a horizontal line.

Thomas L. Marendt