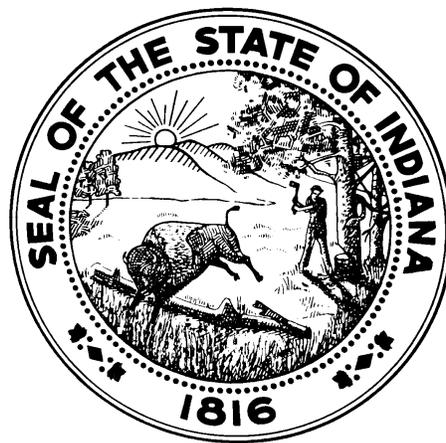


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
WASHINGTON TOWNSHIP  
MORGAN COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**

01/21/2009



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OFFICIALS

Office

Official

Term

Trustee

John Neal

01-01-03 to 12-31-10

Chairman of the  
Township Board

Melvin Manley  
Hewitt Mills  
Karen Hughes

01-01-06 to 12-31-06  
01-01-07 to 12-31-07  
01-01-08 to 12-31-08



**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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Washington 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 presents 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.

STATE BOARD OF ACCOUNTS

November 24, 2008

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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 233,402	\$ 124,599	\$ 74,004	\$ 283,998
Dog	636	523	1,159	-
Township Assistance	87,319	62,026	53,120	96,226
Firefighting	236,784	712,502	680,036	269,249
Rainy Day	24,101	7,000	11,472	19,629
Levy Excess	2,084	1,898	2,084	1,898
Fire Debt	30,917	40,749	47,478	24,188
Fire Equipment Debt	14,283	152,189	155,897	10,576
Cumulative Fire	292,544	76,903	69,891	299,555
Federal Grant	-	133,135	-	133,135
Fiduciary Fund:				
Payroll Withholdings	250	98,237	98,487	-
Totals	<u>\$ 922,320</u>	<u>\$ 1,409,761</u>	<u>\$ 1,193,627</u>	<u>\$ 1,138,454</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 283,998	\$ 151,275	\$ 81,149	\$ 354,124
Township Assistance	96,226	67,768	46,817	117,177
Firefighting	269,249	663,892	774,819	158,322
Rainy Day	19,629	23,350	12,000	30,979
Levy Excess	1,898	186	1,665	419
Fire Debt	24,188	26,937	48,758	2,367
Fire Equipment Debt	10,576	200,980	197,771	13,785
Cumulative Fire	299,555	83,679	100,741	282,493
Federal Grant	133,135	-	133,135	-
Fiduciary Fund:				
Payroll Withholdings	-	111,485	111,701	(216)
Totals	<u>\$ 1,138,454</u>	<u>\$ 1,329,552</u>	<u>\$ 1,508,556</u>	<u>\$ 959,450</u>

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

WASHINGTON TOWNSHIP, MORGAN 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, 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.

WASHINGTON TOWNSHIP, MORGAN 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.

Note 7. Subsequent Event

On January 31, 2008, the Township approved the Township Fire Department's request to incur \$300,000 of debt, in the form of a loan, in order to purchase a fire truck.

WASHINGTON TOWNSHIP, MORGAN COUNTY  
EXAMINATION RESULT AND COMMENT

APPROPRIATIONS

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

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
Fire Debt	2007	\$ 24,399
Cumulative Fire	2007	4,741

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."

WASHINGTON TOWNSHIP, MORGAN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 24, 2008, with Cathy Neal, Clerk.