

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

EXAMINATION REPORT  
OF  
PIPE CREEK TOWNSHIP  
MADISON COUNTY, INDIANA  
January 1, 2007 to December 31, 2008



**FILED**  
11/19/2009



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OFFICIALS

Office

Official

Term

Trustee

Pearl M. Gardner

01-01-07 to 12-31-10

Chairman of the  
Township Board

Joseph Mays  
Grace Werline

01-01-07 to 12-31-08  
01-01-09 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF PIPE CREEK TOWNSHIP, MADISON COUNTY, INDIANA

We have examined the financial information presented herein of Pipe Creek Township (Township), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 24, 2009

PIPE CREEK TOWNSHIP, MADISON 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, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 54,014	\$ 38,420	\$ 92,118	\$ 316
Township Assistance	135,584	29,727	141,702	23,609
Firefighting	99,815	3,792	62,572	41,035
Levy Excess	1,420	7,908	1,420	7,908
Cumulative Fire	22,685	39	-	22,724
Fiduciary Fund:				
Payroll Withholdings	25	32,376	32,401	-
Totals	<u>\$ 313,543</u>	<u>\$ 112,262</u>	<u>\$ 330,213</u>	<u>\$ 95,592</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 316	\$ 104,434	\$ 86,140	\$ 18,610
Township Assistance	23,609	132,833	143,909	12,533
Firefighting	41,035	149,806	83,970	106,871
Levy Excess	7,908	-	7,908	-
Cumulative Fire	22,724	30,516	20,394	32,846
Fiduciary Fund:				
Payroll Withholdings	-	33,805	33,805	-
Totals	<u>\$ 95,592</u>	<u>\$ 451,394</u>	<u>\$ 376,126</u>	<u>\$ 170,860</u>

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

PIPE CREEK TOWNSHIP, MADISON 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).

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.

PIPE CREEK TOWNSHIP, MADISON 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.

PIPE CREEK TOWNSHIP, MADISON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 24, 2009, with Pearl M. Gardner, Trustee. Our examination disclosed no material items that warrant comment at this time.