

B36326

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

EXAMINATION REPORT
OF
WASHINGTON TOWNSHIP
PORTER COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
04/23/2010

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OFFICIALS

Office

Official

Term

Trustee

Lynn Ross

01-01-07 to 12-31-10

Chairman of the
Township Board

Dennis Werner

01-01-07 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Washington Township (Township), for the period of January 1, 2007 to December 31, 2009. 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, 2008, and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

March 30, 2010

WASHINGTON TOWNSHIP, PORTER COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008, And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 50,145	\$ 43,239	\$ 34,051	\$ 59,333
Township Assistance	5,704	5,201	11,342	(437)
Firefighting	15,031	37,607	76,792	(24,154)
Park and Recreation	(1,832)	5,343	11,000	(7,489)
Fire Equipment Debt	4,973	14,399	40,392	(21,020)
Cumulative Fire	59,665	10,502	-	70,167
Totals	<u>\$ 133,686</u>	<u>\$ 116,291</u>	<u>\$ 173,577</u>	<u>\$ 76,400</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	\$ 59,333	\$ 43,758	\$ 37,115	\$ 65,976
Township Assistance	(437)	18,926	14,303	4,186
Firefighting	(24,154)	95,206	80,300	(9,248)
Park and Recreation	(7,489)	18,390	9,174	1,727
Fire Equipment Debt	(21,020)	39,092	40,392	(22,320)
Cumulative Fire	70,167	27,438	95,695	1,910
Totals	<u>\$ 76,400</u>	<u>\$ 242,810</u>	<u>\$ 276,979</u>	<u>\$ 42,231</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 65,976	\$ 54,003	\$ 32,680	\$ 87,299
Township Assistance	4,186	30,444	11,718	22,912
Firefighting	(9,248)	123,526	83,300	30,978
Park and Recreation	1,727	20,882	9,388	13,221
Fire Equipment Debt	(22,320)	62,196	40,392	(516)
Cumulative Fire	1,910	37,522	-	39,432
Totals	<u>\$ 42,231</u>	<u>\$ 328,573</u>	<u>\$ 177,478</u>	<u>\$ 193,326</u>

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

WASHINGTON TOWNSHIP, PORTER 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.

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, PORTER COUNTY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Township has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
2004 Toyne Rescue Pumper	\$ 147,719	\$ 40,392

WASHINGTON TOWNSHIP, PORTER COUNTY
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances presented the following deficiencies:

1. Interest from a savings account was not receipted into the townships records, and is not included as a reconciling item.
2. Monthly reconciliations were not prepared for 2008.
3. Outstanding checks in excess of two years are included on the outstanding check list. These should be receipted back to the Township's records.

IC 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (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>
Cumulative Fire	2008	<u>\$ 62,695</u>

IC 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."

OFFICIAL BOND

The Trustee's bond coverage ended in January of 2009. A new official bond was not purchased and filed in the Office of the County Recorder.

IC 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

WASHINGTON TOWNSHIP, PORTER COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2010, with Lynn Ross, Trustee.