

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
WASHINGTON TOWNSHIP
MIAMI COUNTY, INDIANA
January 1, 2003 to December 31, 2005



FILED
7/18/06

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OFFICIALS

Office

Official

Term

Trustee

Julie A. Hamman

01-01-03 to 12-31-06

Chairman of the
Township Board

Ronald G. Morris

01-01-03 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

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

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Washington Township (Township), for the period of January 1, 2003 to December 31, 2005. The Township's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 9, 2006

WASHINGTON TOWNSHIP, MIAMI COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2003, 2004, And 2005

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 12,738	\$ 11,777	\$ 15,672	\$ 8,843
Dog	503	156	128	531
Township Assistance	22,951	2,139	5,730	19,360
Firefighting	78,393	30,737	16,116	93,014
Levy Excess	-	218	-	218
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 114,585</u>	<u>\$ 45,027</u>	<u>\$ 37,646</u>	<u>\$ 121,966</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 8,843	\$ 16,793	\$ 16,986	\$ 8,650
Dog	531	86	256	361
Township Assistance	19,360	2,450	14,088	7,722
Firefighting	93,014	25,312	16,740	101,586
Levy Excess	218	-	218	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 121,966</u>	<u>\$ 44,641</u>	<u>\$ 48,288</u>	<u>\$ 118,319</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 8,650	\$ 13,906	\$ 21,486	\$ 1,070
Dog	361	216	130	447
Township Assistance	7,722	5,316	10,346	2,692
Firefighting	101,586	25,019	31,085	95,520
Levy Excess	-	1,210	-	1,210
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 118,319</u>	<u>\$ 45,667</u>	<u>\$ 63,047</u>	<u>\$ 100,939</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON TOWNSHIP, MIAMI COUNTY
NOTES TO SCHEDULES

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, MIAMI COUNTY
EXAMINATION RESULTS AND COMMENTS

BOARD OF FINANCE

The minutes presented for audit did not contain information related to the annual meeting of the board of finance or the election of officers to the board of finance. A similar comment was in the prior Examination Report B20658.

Indiana Code 5-13-7-6(a) states in part: "Each local board of finance shall meet annually after the first Monday and on or before the last day of January. At the annual meeting the board of finance shall . . . elect, from the board's membership . . . a president; and a secretary . . . The officers elected hold office until the officers' successors are elected and qualified.

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Township paid \$600 or more for Township rent in 2003, 2004, and 2005. No Federal Form 1099's were issued for these payments.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township General	2005	<u>\$ 204</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."

PRESCRIBED FORMS

The following prescribed form was not in use:

General Form 350 – Investment Register

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WASHINGTON TOWNSHIP, MIAMI COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 9, 2006, with Julie A. Hamman, Trustee. The official concurred with our findings.