

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

EXAMINATION REPORT
OF
RAY TOWNSHIP
FRANKLIN COUNTY, INDIANA
January 1, 2002 to December 31, 2005



FILED
7/27/06

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OFFICIALS

Office

Official

Term

Trustee

Sue Waechter

01-01-02 to 12-31-06

Chairman of the
Township Board

John Noble
Jerome M. Lamping

01-01-02 to 12-31-04
01-01-05 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF RAY TOWNSHIP, FRANKLIN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Ray Township (Township), for the period of January 1, 2002 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, 2002, 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

June 22, 2006

RAY TOWNSHIP, FRANKLIN COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
General	\$ 124,178	\$ 43,575	\$ 10,056	\$ 157,697
Dog	109	2,535	2,183	461
Township Assistance	23,118	4,295	2,900	24,513
Firefighting	32,143	9,217	7,199	34,161
Totals	<u>\$ 179,548</u>	<u>\$ 59,622</u>	<u>\$ 22,338</u>	<u>\$ 216,832</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 157,697	\$ 20,671	\$ 10,636	\$ 167,732
Dog	461	310	127	644
Township Assistance	24,513	1,988	3,185	23,316
Firefighting	34,161	4,715	5,839	33,037
Levy Excess	-	852	-	852
Totals	<u>\$ 216,832</u>	<u>\$ 28,536</u>	<u>\$ 19,787</u>	<u>\$ 225,581</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 167,732	\$ 24,857	\$ 10,842	\$ 181,747
Dog	644	291	207	728
Township Assistance	23,316	5,648	3,210	25,754
Firefighting	33,037	17,835	5,355	45,517
Levy Excess	852	-	-	852
Totals	<u>\$ 225,581</u>	<u>\$ 48,631</u>	<u>\$ 19,614</u>	<u>\$ 254,598</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 181,747	\$ 21,856	\$ 11,850	\$ 191,753
Dog	728	307	291	744
Township Assistance	25,754	4,523	3,380	26,897
Firefighting	45,517	10,730	7,883	48,364
Levy Excess	852	-	-	852
Totals	<u>\$ 254,598</u>	<u>\$ 37,416</u>	<u>\$ 23,404</u>	<u>\$ 268,610</u>

The accompanying notes are an integral part of the schedules.

RAY TOWNSHIP, FRANKLIN 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.

RAY TOWNSHIP, FRANKLIN COUNTY
EXAMINATION RESULT AND COMMENT

COMPENSATION

The Trustee, Clerk and Township Board members received payments for salaries for the years 2002, 2003, 2004, and 2005 without the governing body adopting a salary ordinance or resolution.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 17)

RAY TOWNSHIP, FRANKLIN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 22, 2006, with Sue Waechter, Trustee. The official concurred with our finding.