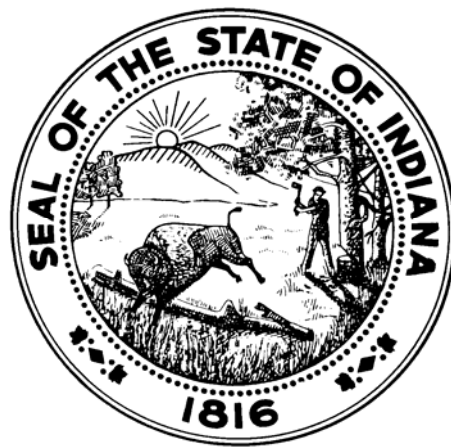


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF  
WASHINGTON TOWNSHIP  
ELKHART COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
08/16/2006



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OFFICIALS

Office

Official

Term

Trustee

Beuford H. Lee

01-01-03 to 12-31-06

Chairman of the  
Township Board

Elwyn Miller  
John Wesley

01-01-04 to 03-24-04  
03-25-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, ELKHART 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, 2004 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, 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

July 28, 2006

WASHINGTON TOWNSHIP, ELKHART 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 109,691	\$ 45,486	\$ 41,756	\$ 113,421
Dog	734	322	438	618
Township Assistance	24,541	10,850	9,309	26,082
Firefighting	67,476	171,868	158,100	81,244
Park and Recreation	4	4,367	3,750	621
Emergency Medical Service	-	35,445	31,819	3,626
Cumulative Fire	281,433	110,310	319,168	72,575
Fiduciary Fund:				
Payroll Withholdings	484	2,075	2,040	519
Totals	<u>\$ 484,363</u>	<u>\$ 380,723</u>	<u>\$ 566,380</u>	<u>\$ 298,706</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 113,421	\$ 41,145	\$ 45,860	\$ 108,706
Dog	618	458	318	758
Township Assistance	26,082	9,288	13,074	22,296
Firefighting	81,244	133,951	165,093	50,102
Park and Recreation	621	3,402	3,082	941
Emergency Medical Service	3,626	28,490	32,095	21
Cumulative Fire	72,575	91,858	564	163,869
Levy Excess	-	2,388	-	2,388
Fiduciary Fund:				
Payroll Withholdings	519	7,291	7,202	608
Totals	<u>\$ 298,706</u>	<u>\$ 318,271</u>	<u>\$ 267,288</u>	<u>\$ 349,689</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON TOWNSHIP, ELKHART 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, ELKHART COUNTY  
EXAMINATION RESULTS AND COMMENTS

BOARD MINUTES

Not all minutes of meetings of the governing body were available for audit. There were no records of budget hearings for 2006 nor approval of the 2006 budget presented for audit.

Indiana Code 5-14-1.5-4(b) states, "As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under Indiana Code 5-1.5-2-2.5 or Indiana Code 20-12-63-7."

OFFICIAL BOND

The official bond of the Trustee was not filed in the Office of the County Recorder.

Indiana Code 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, ELKHART COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on July 31, 2006, with Beuford H. Lee, Trustee.