

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

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



**FILED**  
10/27/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	David D. Gill	01-01-03 to 12-31-06
Chairman of the Township Board	Jim Carey	01-01-04 to 12-31-04
	Carl Steele	01-01-05 to 12-31-05
	Jim Peyton	01-01-06 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WASHINGTON TOWNSHIP, HAMILTON 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

September 26, 2006

WASHINGTON TOWNSHIP, HAMILTON 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	\$ 25,273	\$ 146,416	\$ 120,835	\$ 50,854
Dog	2,899	2,461	2,599	2,761
Township Assistance	21,462	31,290	39,914	12,838
Firefighting	492,278	1,500,514	1,488,455	504,337
Park and Recreation	256	113,238	99,188	14,306
Zoning	108,941	-	-	108,941
Fire Building Debt	33,047	34,252	65,012	2,287
Township Bond Debt	23,643	62,995	63,829	22,809
Cumulative Fire	281,539	206,881	97,618	390,802
Capital Improvement	90,903	26,000	37,985	78,918
Park Nonreverting Capital	588,440	36,000	32,675	591,765
Fiduciary Fund:				
Payroll Withholdings	1,759	12,552	14,042	269
Totals	<u>\$ 1,670,440</u>	<u>\$ 2,172,599</u>	<u>\$ 2,062,152</u>	<u>\$ 1,780,887</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 50,854	\$ 168,160	\$ 116,990	\$ 102,024
Dog	2,761	2,448	3,040	2,169
Township Assistance	12,838	38,631	47,841	3,628
Firefighting	504,337	1,391,932	1,543,110	353,159
Park and Recreation	14,306	91,288	79,440	26,154
Zoning	108,941	-	-	108,941
Fire Building Debt	2,287	136,615	74,910	63,992
Township Bond Debt	22,809	80,774	64,522	39,061
Cumulative Fire	390,802	213,540	156,541	447,801
Capital Improvement	78,918	39,598	8,656	109,860
Park Nonreverting Capital	591,765	-	20,188	571,577
Fiduciary Fund:				
Payroll Withholdings	269	15,345	15,614	-
Totals	<u>\$ 1,780,887</u>	<u>\$ 2,178,331</u>	<u>\$ 2,130,852</u>	<u>\$ 1,828,366</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON TOWNSHIP, HAMILTON 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, HAMILTON COUNTY  
NOTES TO SCHEDULES  
(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.

Note 7. Long-Term Debt

The Township has entered into debt such as bonds for Township Building and Fire Station 82. The outstanding principal at December 31, 2005, was \$515,000.

WASHINGTON TOWNSHIP, HAMILTON COUNTY  
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORM

Notice of Township Assistance Action (Form TA-1A) was not used in all applicable situations.

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)

CAPITAL ASSET RECORDS

Information presented did not indicate an inventory or record of capital assets using Capital Asset Ledger Form 369.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WASHINGTON TOWNSHIP, HAMILTON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 26, 2006, with David D. Gill, Trustee. The official concurred with our examination findings.