

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

EXAMINATION REPORT
OF
WARREN TOWNSHIP
HUNTINGTON COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
11/03/2006

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OFFICIALS

Office

Official

Term

Trustee

Robert L. Morton

01-01-03 to 12-31-06

Chairman of the
Township Board

Jack Sell

01-01-04 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WARREN TOWNSHIP, HUNTINGTON COUNTY, INDIANA

We have examined the financial information presented herein of Warren Township (Township), for the period of January 1, 2004 to December 31, 2005. 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 present fairly, in all material respects, the financial information 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

October 16, 2006

WARREN TOWNSHIP, HUNTINGTON COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 9,781	\$ 12,432	\$ 10,025	\$ 12,188
Dog	199	214	19	394
Township Assistance	6,154	3,050	279	8,925
Firefighting	31,360	31,558	24,950	37,968
Park and Recreation	16,444	9,515	4,434	21,525
Park and Recreation Gift	-	6,795	6,795	-
Fire Equipment Debt	2,873	16,916	13,486	6,303
Cumulative Fire	-	8,946	-	8,946
Totals	<u>\$ 66,811</u>	<u>\$ 89,426</u>	<u>\$ 59,988</u>	<u>\$ 96,249</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 12,188	\$ 12,073	\$ 10,162	\$ 14,099
Dog	394	209	94	509
Township Assistance	8,925	2,626	627	10,924
Firefighting	37,968	26,885	26,085	38,768
Park and Recreation	21,525	8,212	4,016	25,721
Levy Excess	-	216	-	216
Fire Equipment Debt	6,303	13,659	14,627	5,335
Cumulative Fire	8,946	9,247	35	18,158
Totals	<u>\$ 96,249</u>	<u>\$ 73,127</u>	<u>\$ 55,646</u>	<u>\$ 113,730</u>

The accompanying notes are an integral part of the schedules.

WARREN TOWNSHIP, HUNTINGTON 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. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

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.

WARREN TOWNSHIP, HUNTINGTON COUNTY
EXAMINATION RESULT AND COMMENT

ADVANCE PAYMENTS

Salary and rent payments were made to the Trustee and Clerk in advance of being earned. Salary and rent paid to the Trustee were for services in advance of up to 218 days. Salary paid to the Clerk was for services in advance of up to 163 days. A similar comment appeared in prior Report B23600.

Compensation and any other payments for goods and services should not be paid in advance of receipt of the goods or services unless specifically authorized by statute. Payments made for goods or services which are not received may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

WARREN TOWNSHIP, HUNTINGTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 16, 2006, with Robert L. Morton, Trustee. The official concurred with our finding.