

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
MIDDLE TOWNSHIP
HENDRICKS COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
12/27/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Timothy W. Griffith	01-01-05 to 12-31-07
Chairman of the Township Board	Andy Baldauf	01-01-05 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MIDDLE TOWNSHIP, HENDRICKS COUNTY, INDIANA

We have examined the financial information presented herein of Middle Township (Township), for the period of January 1, 2005 to December 31, 2006. 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 presents fairly, in all material respects, the financial information of the Township for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 5, 2007

MIDDLE TOWNSHIP, HENDRICKS 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, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 9,370	\$ 49,579	\$ 45,166	\$ 13,783
Dog	1,222	848	956	1,114
Township Assistance	7,650	7,404	10,779	4,275
Firefighting	125,280	488,054	601,928	11,406
Fire Equipment Debt	44,307	184,605	162,245	66,667
Rainy Day	4	-	-	4
Levy Excess	-	1,041	-	1,041
Cumulative Fire	105,296	57,331	7,112	155,516
Fiduciary Fund:				
Payroll Withholdings	-	8,497	8,497	-
Totals	<u>\$ 293,129</u>	<u>\$ 797,359</u>	<u>\$ 836,683</u>	<u>\$ 253,806</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 13,783	\$ 48,848	\$ 46,503	\$ 16,128
Dog	1,114	695	822	987
Township Assistance	4,275	8,692	11,475	1,492
Firefighting	11,406	827,349	833,071	5,685
Rainy Day	4	-	-	4
Fire Equipment Debt	66,667	165,797	162,321	70,143
Levy Excess	1,041	1,554	1,041	1,554
Cumulative Fire	155,516	58,044	59,483	154,076
Totals	<u>\$ 253,806</u>	<u>\$ 1,110,979</u>	<u>\$ 1,114,717</u>	<u>\$ 250,068</u>

The accompanying notes are an integral part of the financial information.

MIDDLE TOWNSHIP, HENDRICKS 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, 2005 And 2006

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MIDDLE TOWNSHIP, HENDRICKS 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, 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

Normally, 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 may 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.

MIDDLE TOWNSHIP, HENDRICKS COUNTY
NOTES TO FINANCIAL INFORMATION
(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 a loan for the construction of a fire station and a Fire Emergency Loan in 2006 to cover operating expenses of the fire station in 2006. The outstanding principal at December 31, 2006, was \$453,588 and \$280,000, respectively.

Note 8. Subsequent Event

The Township has entered into a Fire Emergency Loan in the amount of \$400,000 for additional staffing and operating expenses of the fire station in 2007.

MIDDLE TOWNSHIP, HENDRICKS COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 5, 2007, with Timothy W. Griffith, Trustee. Our examination disclosed no material items that warrant comment at this time.