

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

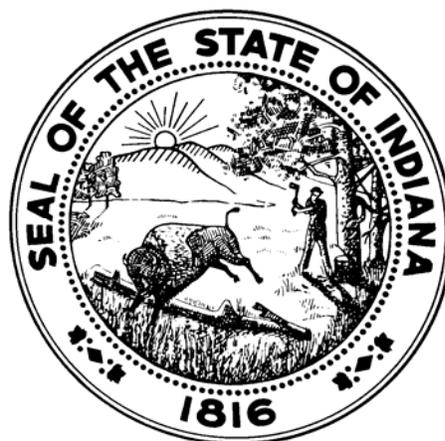
EXAMINATION REPORT

OF

UNION TOWNSHIP

MARSHALL COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**

10/24/2006



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OFFICIALS

Office

Official

Term

Trustee

Marlene Mahler

01-01-03 to 12-31-06

Chairman of the  
Township Board

John Benedict

01-01-04 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF UNION TOWNSHIP, MARSHALL COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Union 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

August 31, 2006

UNION TOWNSHIP, MARSHALL 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:				
Township	\$ 104,690	\$ 61,349	\$ 56,907	\$ 109,132
Dog	276	143	70	349
Township Assistance	47,180	35,766	13,069	69,877
Firefighting	129,845	79,601	61,447	147,999
Park and Recreation	21,920	10,703	12,900	19,723
Cumulative Fire	131,611	33,013	-	164,624
Rainy Day	-	9,481	-	9,481
Emergency Medical Services	84,580	51,413	38,521	97,472
<b>Totals</b>	<b><u>\$ 520,102</u></b>	<b><u>\$ 281,468</u></b>	<b><u>\$ 182,914</u></b>	<b><u>\$ 618,656</u></b>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 109,132	\$ 78,746	\$ 58,955	\$ 128,923
Dog	349	178	49	478
Township Assistance	69,877	33,563	12,486	90,954
Firefighting	147,999	87,456	58,378	177,077
Park and Recreation	19,723	5,029	13,500	11,252
Cumulative Fire	164,624	53,766	25,000	193,390
Rainy Day	9,481	11,171	-	20,652
Emergency Medical Services	97,472	53,352	49,920	100,904
Levy Excess	-	4,997	-	4,997
<b>Totals</b>	<b><u>\$ 618,656</u></b>	<b><u>\$ 328,257</u></b>	<b><u>\$ 218,287</u></b>	<b><u>\$ 728,626</u></b>

The accompanying notes are an integral part of the schedules.

UNION TOWNSHIP, MARSHALL 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 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. Final settlement of taxes paid in 2003 and 2004 did not occur until February 2004 and February 2005, respectively. All property taxes collected by the County Treasurer and available for distribution during 2005 were distributed to the Township prior to December 31, 2005.

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.

UNION TOWNSHIP, MARSHALL 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.

UNION TOWNSHIP, MARSHALL COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 5, 2006, with Marlene Mahler, Trustee. Our examination disclosed no material items that warrant comment at this time.