

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

EXAMINATION REPORT

OF

UNION TOWNSHIP

LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

10/31/2007

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OFFICIALS

Office

Official

Term

Trustee

Sheridan Morris

01-01-03 to 12-31-10

Chairman of the
Township Board

Gary Gaddy
Bettye Evans

01-01-05 to 12-31-06
01-01-07 to 12-31-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Union 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.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

September 18, 2007

UNION TOWNSHIP, LAPORTE COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 21,414	\$ 16,164	\$ 28,377	\$ 9,201
Dog	917	492	512	897
Township Assistance	10,846	6,735	14,331	3,250
Firefighting	28,260	19,593	29,612	18,241
Cumulative Fire	<u>24,586</u>	<u>3,246</u>	<u>-</u>	<u>27,832</u>
Totals	<u>\$ 86,023</u>	<u>\$ 46,230</u>	<u>\$ 72,832</u>	<u>\$ 59,421</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 9,201	\$ 19,338	\$ 24,477	\$ 4,062
Dog	897	500	602	795
Township Assistance	3,250	15,375	21,367	(2,742)
Firefighting	18,241	35,806	47,404	6,643
Cumulative Fire	27,832	6,248	10,209	23,871
Levy Excess	<u>-</u>	<u>2,501</u>	<u>-</u>	<u>2,501</u>
Totals	<u>\$ 59,421</u>	<u>\$ 79,768</u>	<u>\$ 104,059</u>	<u>\$ 35,130</u>

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

UNION TOWNSHIP, LAPORTE 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.

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.

Note 6. Subsequent Event

Tax Levies and Rates for 2007

Due to delays caused by trending of assessments, the assessed valuations of LaPorte County have not been finalized. Therefore, the 2006 pay 2007 property tax rates and levies, as well as related budget orders for 2007, have not yet been established as of August 20, 2007.

UNION TOWNSHIP, LAPORTE COUNTY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment	\$ 91,000
Total governmental activities, capital assets not being depreciated	<u>\$ 91,000</u>

UNION TOWNSHIP, LAPORTE COUNTY
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The Township Assistance Fund was overdrawn by \$2,741.92 at the end of 2006.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

RECEIPT ISSUANCE

The Township does not have a duplicate receipt book, and does not issue receipts for funds collected.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

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)

UNION TOWNSHIP, LAPORTE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2007, with Sheridan Morris, Trustee.
The official concurred with our findings.