

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

EXAMINATION REPORT

OF

UNION TOWNSHIP

BOONE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**

02/11/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Jacqueline Hart-Carr Candace L. Ulmer	01-01-03 to 12-31-06 01-01-07 to 12-31-10
Chairman of the Township Board	Marc Applegate Dan Montgomery	01-01-02 to 12-31-06 01-01-07 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Union Township (Township), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, 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

January 8, 2009

UNION TOWNSHIP, BOONE 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 45,307	\$ 40,839	\$ 21,900	\$ 64,246
Dog	1,816	1,491	1,534	1,773
Township Assistance	2,670	5,872	1,400	7,142
Firefighting	26,743	183,152	202,311	7,584
Park and Recreation	48,375	12,212	-	60,587
Rainy Day	876	-	876	-
Donations	-	134,418	127,782	6,636
Levy Excess	-	1,211	-	1,211
Cumulative Fire	71,324	25,674	28,352	68,646
Fiduciary Fund:				
Payroll Withholdings	47	2,422	1,687	782
Totals	<u>\$ 197,158</u>	<u>\$ 407,291</u>	<u>\$ 385,842</u>	<u>\$ 218,607</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 64,246	\$ 65,201	\$ 103,090	\$ 26,357
Dog	1,773	-	1,773	-
Township Assistance	7,142	781	7,242	681
Firefighting	7,584	322,713	258,767	71,530
Park and Recreation	60,587	4,319	60,000	4,906
Donations	6,636	-	-	6,636
Levy Excess	1,211	-	-	1,211
Cumulative Fire	68,646	48,851	95,217	22,280
Fiduciary Fund:				
Payroll Withholdings	782	2,716	2,023	1,475
Totals	<u>\$ 218,607</u>	<u>\$ 444,581</u>	<u>\$ 528,112</u>	<u>\$ 135,076</u>

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

UNION TOWNSHIP, BOONE 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). 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.

Note 6. Subsequent Event

In 2007, construction on the Fire Station was stopped and the contract was voided due to permits not being obtained to correctly finish the project. In April 2008, the bid for the Fire Station Project was awarded again to MacDougal Pierce for \$1.3 million to be paid from the First Mortgage Bond, Series 2006. Construction began again in July 2008.

The Township received approval for an Emergency Fire Loan in early 2008 for \$221,961.

UNION TOWNSHIP, BOONE COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

The Township has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Bonds payable:		
Revenue bonds:		
First Mortgage Bonds, Series 2006	\$ 1,800,000	\$ 43,200
Total governmental activities debt	<u>\$ 1,800,000</u>	<u>\$ 43,200</u>

UNION TOWNSHIP, BOONE COUNTY  
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Township Assistance	2007	\$ 4,242
Firefighting	2007	6,435
Cumulative Fire	2007	217

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

OFFICIAL BOND

The following official bonds were not filed in the Office of the County Recorder:

Jacqueline Carr, Trustee 2006

IC 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder . . ."

PRESCRIBED FORMS

The following prescribed form was not in use:

Township Form 16-1997, Township Trustee's Receipt

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, BOONE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on January 7, 2009, with Candance L. Ulmer, Trustee. The officials concurred with our findings.

The contents of this report were discussed on January 8, 2009, with Jacqueline Hart-Carr, former Trustee. The officials concurred with our findings.