

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

EXAMINATION REPORT
OF
UNION TOWNSHIP
FULTON COUNTY, INDIANA
January 1, 2003 to December 31, 2005



FILED
7/27/06

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OFFICIALS

Office

Official

Term

Trustee

Arthur Gudas

01-01-03 to 12-31-06

Chairman of the
Township Board

Jay Cunningham

01-01-03 to 12-31-06



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF UNION TOWNSHIP, FULTON 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, 2003 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, 2003, 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

June 28, 2006

UNION TOWNSHIP, FULTON COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2003, 2004, And 2005

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 54,498	\$ 35,954	\$ 64,340	\$ 26,112
Dog	300	99	8	391
Township Assistance	11,388	4,785	6,532	9,641
Firefighting	116,230	49,336	59,274	106,292
School Reorganization	10,706	216,231	226,937	-
Host Fees	23,034	3,777	11,605	15,206
Levy Excess	712	290	712	290
Totals	<u>\$ 216,868</u>	<u>\$ 310,472</u>	<u>\$ 369,408</u>	<u>\$ 157,932</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 26,112	\$ 38,757	\$ 36,735	\$ 28,134
Dog	391	69	95	365
Township Assistance	9,641	2,982	9,079	3,544
Firefighting	106,292	64,649	22,189	148,752
Host Fees	15,206	13,997	499	28,704
Cumulative Fire	-	7,210	-	7,210
Rainy Day	-	7,244	-	7,244
Levy Excess	290	-	290	-
Totals	<u>\$ 157,932</u>	<u>\$ 134,908</u>	<u>\$ 68,887</u>	<u>\$ 223,953</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 28,134	\$ 47,714	\$ 39,491	\$ 36,357
Dog	365	88	92	361
Township Assistance	3,544	14,159	8,552	9,151
Firefighting	148,752	36,186	27,695	157,243
Host Fees	28,704	32,727	3,814	57,617
Cumulative Fire	7,210	13,528	333	20,405
Rainy Day	7,244	-	-	7,244
Levy Excess	-	3,393	-	3,393
Totals	<u>\$ 223,953</u>	<u>\$ 147,795</u>	<u>\$ 79,977</u>	<u>\$ 291,771</u>

The accompanying notes are an integral part of the schedules.

UNION TOWNSHIP, FULTON 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 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.

UNION TOWNSHIP, FULTON COUNTY
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

Information presented for audit did not indicate an inventory or record of capital assets using Form 369.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded on the applicable Capital Asset Ledger. A complete inventory should be taken at least every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

ANNUAL FINANCIAL REPORT

The Host Fee Fund was not reported in the Townships Annual Reports for the years ended 2003, 2004, and 2005.

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, FULTON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2006, with Arthur Gudas, Trustee. The official concurred with our findings.