

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

EXAMINATION REPORT

OF

UNION TOWNSHIP

ELKHART COUNTY, INDIANA

January 1, 2004 to December 31, 2005



FILED

08/16/2006

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Schedules of Receipts, Disbursements, and Cash and Investment Balances.....	4
Notes to Schedules	5
Exit Conference.....	6

OFFICIALS

Office

Official

Term

Trustee

Robert H. McLean

01-01-03 to 12-31-06

Chairman of the
Township Board

Paul E. Daugherty

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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF UNION TOWNSHIP, ELKHART 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

June 28, 2006

UNION TOWNSHIP, ELKHART 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 92,834	\$ 43,466	\$ 38,273	\$ 98,027
Dog	1,306	914	1,006	1,214
Township Assistance	44,950	19,903	19,604	45,249
Firefighting	177,705	132,467	55,607	254,565
Park and Recreation	11,474	2,201	2,500	11,175
Levy Excess	610	-	610	-
EMS	-	5,900	1,500	4,400
Cumulative Fire	70,167	36,193	-	106,360
Fiduciary Funds:				
Buggy License	-	10,716	10,716	-
Payroll Withholdings	291	1,597	1,516	372
Totals	<u>\$ 399,337</u>	<u>\$ 253,357</u>	<u>\$ 131,332</u>	<u>\$ 521,362</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 98,027	\$ 25,751	\$ 37,670	\$ 86,108
Dog	1,214	1,116	1,114	1,216
Township Assistance	45,249	24,910	18,953	51,206
Firefighting	254,565	106,196	62,401	298,360
Park and Recreation	11,175	-	2,500	8,675
Levy Excess	-	247	-	247
EMS	4,400	4,356	1,513	7,243
Cumulative Fire	106,360	26,697	62	132,995
Fiduciary Funds:				
Buggy License	-	10,110	10,110	-
Payroll Withholdings	372	1,626	1,633	365
Totals	<u>\$ 521,362</u>	<u>\$ 201,009</u>	<u>\$ 135,956</u>	<u>\$ 586,415</u>

The accompanying notes are an integral part of the schedules.

UNION TOWNSHIP, ELKHART 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. 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.

UNION TOWNSHIP, ELKHART COUNTY
EXIT CONFERENCE

The contents of this report were discussed on June 28, 2006, with Robert H. McClean, Trustee. Our examination disclosed no material items that warrant comment at this time.