

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

EXAMINATION REPORT
OF
UNION TOWNSHIP
BOONE COUNTY, INDIANA
January 1, 2002 to December 31, 2005



FILED
02/12/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Betty Cooper	01-01-99 to 12-31-02
	Jacqueline Hart-Carr	01-01-03 to 12-31-06
	Candice Ulmer	01-01-07 to 12-31-07
Chairman of the Township Board	Mark Applegate	01-01-02 to 12-31-06
	Dan Montgomery	01-01-07 to 12-31-07



STATE OF INDIANA
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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, 2002 to December 31, 2005. 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, 2002, 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

January 18, 2007

UNION TOWNSHIP 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, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
Township	\$ 66,067	\$ 14,257	\$ 29,870	\$ 50,454
Dog	1,286	838	994	1,130
Township Assistance	7,420	-	2,425	4,995
Firefighting	30,330	149,449	58,835	120,944
Park and Recreation	-	30,956	16,470	14,486
Cumulative Fire	35,600	24,811	31,500	28,911
Build Indiana	12	-	-	12
Totals	<u>\$ 140,715</u>	<u>\$ 220,311</u>	<u>\$ 140,094</u>	<u>\$ 220,932</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
Township	\$ 50,454	\$ 14,827	\$ 31,456	\$ 33,825
Dog	1,130	1,368	830	1,668
Township Assistance	4,995	-	2,187	2,808
Firefighting	120,944	72,870	53,191	140,623
Park and Recreation	14,486	53,583	34,486	33,583
Cumulative Fire	28,911	24,122	-	53,033
Build Indiana	12	-	-	12
Totals	<u>\$ 220,932</u>	<u>\$ 166,770</u>	<u>\$ 122,150</u>	<u>\$ 265,552</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
Township	\$ 33,825	\$ 9,965	\$ 22,677	\$ 21,113
Dog	1,668	2,213	1,380	2,501
Township Assistance	2,808	-	1,651	1,157
Firefighting	140,623	64,580	119,752	85,451
Park and Recreation	33,583	10,146	-	43,729
Cumulative Fire	53,033	15,572	-	68,605
Build Indiana	12	-	-	12
Fiduciary Fund:				
Payroll Withholdings	-	1,275	892	383
Totals	<u>\$ 265,552</u>	<u>\$ 103,751</u>	<u>\$ 146,352</u>	<u>\$ 222,951</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 21,113	\$ 46,233	\$ 22,039	\$ 45,307
Dog	2,501	1,516	2,201	1,816
Township Assistance	1,157	3,884	2,371	2,670
Firefighting	85,451	62,411	121,119	26,743
Park and Recreation	43,729	12,627	7,981	48,375
Rainy Day	-	876	-	876
Donation	-	130,000	130,000	-
Cumulative Fire	68,605	192,773	190,054	71,324
Build Indiana	12	-	12	-
Fiduciary Fund:				
Payroll Withholdings	383	2,337	2,673	47
Totals	<u>\$ 222,951</u>	<u>\$ 452,657</u>	<u>\$ 478,450</u>	<u>\$ 197,158</u>

The accompanying notes are an integral part of the schedules.

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). 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.

Note 6. Subsequent Event

Union Township entered into a lease agreement with the Union Township of Boone County Building Corporation for the purpose of issuing bonds to finance a new fire station. The total for the Mortgage Bonds series 2006 is \$1,800,000. Lease payments to the Building Corporation will begin in July 2007. The Board has awarded a bid for the Fire Station project for \$1,452,000.

UNION TOWNSHIP, BOONE COUNTY
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

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

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Cumulative Fire	2005	<u>\$ 10,054.17</u>

Indiana Code 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."

PENALTIES, INTEREST AND OTHER CHARGES

Penalties and interest totaling \$5.63 were paid to the Internal Revenue Service on January 25, 2003, for the period of September 30, 2002.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

OFFICIAL BOND

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

Betty Cooper for 2002 and Jacqueline Carr for 2003 through 2005.

Indiana Code 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 . . ."

UNION TOWNSHIP, BOONE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on January 22, 2007, with Betty Cooper, Trustee. The official concurred with our findings.

The contents of this report were discussed on January 24, 2007, with Jacqueline Hart-Carr, former Trustee. The official concurred with our findings.