

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

EXAMINATION REPORT  
OF  
UNION TOWNSHIP  
SHELBY COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**

11/07/2007



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OFFICIALS

Office

Official

Term

Trustee

Elizabeth Theobald

01-01-03 to 12-31-10

Chairman of the  
Township Board

Todd Marshall

01-01-05 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, SHELBY 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 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

September 18, 2007

UNION TOWNSHIP, SHELBY 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	\$ 36,517	\$ 18,584	\$ 36,606	\$ 18,495
Dog	628	336	342	622
Township Assistance	26,613	3,359	-	29,972
Firefighting	25,133	27,272	36,568	15,837
Cemetery	3,889	400	2,874	1,415
Fire Debt	-	3,749	3,500	249
Totals	<u>\$ 92,780</u>	<u>\$ 53,700</u>	<u>\$ 79,890</u>	<u>\$ 66,590</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Township	\$ 18,495	\$ 23,543	\$ 26,276	\$ 15,762
Dog	622	436	1,058	-
Township Assistance	29,972	159	250	29,881
Firefighting	15,837	17,388	5,808	27,417
Cemetery	1,415	5,029	4,276	2,168
Fire Debt	249	5,756	4,560	1,445
Totals	<u>\$ 66,590</u>	<u>\$ 52,311</u>	<u>\$ 42,228</u>	<u>\$ 76,673</u>

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

UNION TOWNSHIP, SHELBY 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, 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 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, SHELBY COUNTY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF LONG-TERM DEBT

December 31, 2006

<u>Description of Asset</u>	<u>Principal Ending Balance</u>	<u>Principal and Interest Due Within One Year</u>
Governmental Activities:		
Notes and loans payable	<u>\$ 12,584</u>	<u>\$ 3,990</u>

UNION TOWNSHIP, SHELBY COUNTY  
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of officials and employees for the years 2005 and 2006 was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the name and address of each person who has money due the person from the political subdivision to the treasurer of each county in which the political subdivision is located."

INTEREST ON INVESTMENTS

Interest earned on investments was automatically added to the principal and not recorded in the records. A similar comment appeared in the prior report.

Interest on investments should not be automatically added into the investment. Instead, interest on investments should be paid to the governmental unit at each maturity date and posted to the appropriate fund. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

CONTRACTS AND SUPPORTING DOCUMENTATION

Supporting documentation, agreements or contracts for payments for cemetery care were not presented for examination. A similar comment appeared in the prior report.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

Supporting documentation such as receipts, canceled checks, tickets, invoices, bills, contracts, and other public records must be available for audit to provide supporting information for the validity and accountability of monies disbursed. Payments without supporting documentation may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

UNION TOWNSHIP, SHELBY COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 18, 2007, with Norman Theobald, Clerk.  
The official concurred with our findings.