B32605

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

EXAMINATION REPORT

OF

UNION TOWNSHIP

MADISON COUNTY, INDIANA

January 1, 2006 to December 31, 2007

FILED
09/03/2008

TABLE OF CONTENTS

OFFICIALS

Office	Official	Term
Trustee	J. Michael Phillips	01-01-03 to 12-31-10
Chairman of the Township Board	Richard Watson	01-01-06 to 12-31-08

STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF UNION TOWNSHIP, MADISON 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 Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

August 6, 2008

UNION TOWNSHIP, MADISON COUNTY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENTS
ALL GOVERNMENTAL 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	$ 117,605	$ 36,570	$ 28,758	$ 125,417
Township Assistance	37,629	2,528	20,450	19,707
Firefighting	71,994	137,056	166,208	42,842
Cumulative Fire	41,014	63,177	831	103,360
Dog	430	153	583	-
Fire Debt	111,552	234,491	229,195	116,848
Levy Excess	7,033	12,237	-	19,270
Construction	67,000	-	-	67,000
Totals	$ 454,257	$ 486,212	$ 446,025	$ 494,444

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	$ 125,417	$ 49,286	$ 90,199	$ 84,504
Township Assistance	19,707	1,585	16,649	4,643
Firefighting	42,842	183,125	190,420	35,547
Cumulative Fire	103,360	27,235	5,640	124,955
Fire Debt	116,848	130,146	240,672	6,322
Levy Excess	19,270	15,797	19,200	15,867
Construction	67,000	-	-	67,000
Totals	$ 494,444	$ 407,174	$ 562,780	$ 338,838

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

UNION TOWNSHIP, MADISON 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 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).

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
2636 East 100 North
Anderson, IN 46012
765-644-2039 [office]
765-610-8970 [cell]

Union Township, Madison County

Schedule of Capital Assets

Union Township, Madison County, Indiana
Ended December 31, 2007

Primary Government	Ending Balance
Capital assest, not being depreciated:	
Land	$ 67,000.00
Buildings	$ 950,000.00
Machinery/Equipment	$ 1,480,000.00
TOTAL	$ 2,497,000.00

e-mail: mphiluntwp@comcast.net

UNION TOWNSHIP, MADISON 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:		
Capital lease:		
2001 Fire Station	$ 610,000	$ 223,000

UNION TOWNSHIP, MADISON COUNTY
EXAMINATION RESULTS AND COMMENTS

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Officials or employees of the Township had money due from the Township, but a list of such employees 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 names and addresses 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."

CONTRACTS

Records presented for examination indicate payments were made for cemetery care in the amount of $5,580 in 2006 and $4,340 in 2007 without a written contract.

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)

UNION TOWNSHIP, MADISON COUNTY
EXIT CONFERENCE

The contents of this report were discussed on August 6, 2008, with J. Michael Phillips, Trustee. The official concurred with our findings.