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

EXAMINATION REPORT

OF

UNION TOWNSHIP

MONTGOMERY COUNTY, INDIANA

January 1, 2007 to December 31, 2009

FILED

05/06/2010

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OFFICIALS

Office	Official	Term
Trustee	Glenna M. Nevitt	01-01-07 to 12-31-10
Chairman of the Township Board	John L. Wyatt	01-01-07 to 12-31-10

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF UNION TOWNSHIP, MONTGOMERY COUNTY, INDIANA

We have examined the financial information presented herein of Union Township (Township), for the period of January 1, 2007 to December 31, 2009. 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, 2007, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 29, 2010

UNION TOWNSHIP, MONTGOMERY 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, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	$ 1,111,657	$ 77,799	$ 105,508	$ 1,083,948
Township Assistance	850,052	240,581	227,487	863,146
Firefighting	294,622	128,784	173,763	249,643
Park and Recreation	142,491	35,992	20,690	157,793
Levy Excess	348	-	348	-
Cumulative Fire	1,712,109	145,303	-	1,857,412
Fiduciary Fund:				
Payroll Withholdings	-	21,566	21,566	-
Totals	$ 4,111,279	$ 650,025	$ 549,362	$ 4,211,942

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Township	$ 1,083,948	$ 78,130	$ 107,676	$ 1,054,402
Township Assistance	863,146	409,661	291,138	981,669
Firefighting	249,643	239,206	182,774	306,075
Park and Recreation	157,793	83,696	27,641	213,848
Cumulative Fire	1,857,412	309,918	-	2,167,330
Fiduciary Fund:				
Payroll Withholdings	-	23,476	23,476	-
Totals	$ 4,211,942	$ 1,144,087	$ 632,705	$ 4,723,324

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	$ 1,054,402	$ 65,361	$ 218,163	$ 901,600
Township Assistance	981,669	317,191	350,258	948,602
Firefighting	306,075	191,646	186,383	311,338
Park and Recreation	213,848	59,677	46,301	227,224
Rainy Day	-	13,797	-	13,797
Cumulative Fire	2,167,330	218,583	-	2,385,913
Fiduciary Fund:				
Payroll Withholdings	-	24,131	24,131	-
Totals	$ 4,723,324	$ 890,386	$ 825,236	$ 4,788,474

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

UNION TOWNSHIP, MONTGOMERY 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). Ordinarily, taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. In 2007, installments were due July 20 and November 13. In 2008, installments were due August 15 and November 10.

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. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

UNION TOWNSHIP, MONTGOMERY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 29, 2010, with Glenna M. Nevitt, Trustee; and Linda Chesterson, Bookkeeper. Our examination disclosed no material items that warrant comment at this time.