

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

EXAMINATION REPORT  
OF  
LIBERTY TOWNSHIP  
PORTER COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**

01/16/2009



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 .....	5-6
Exit Conference.....	7

OFFICIALS

Office

Official

Term

Trustee

Margaret Ruge

01-01-03 to 12-31-10

Chairman of the  
Township Board

Peter Ferrari Sr.  
Jack D. Sterling

01-01-04 to 12-31-06  
01-01-07 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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF LIBERTY TOWNSHIP, PORTER COUNTY, INDIANA

We have examined the financial information presented herein of Liberty 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.

STATE BOARD OF ACCOUNTS

November 13, 2008

LIBERTY TOWNSHIP, PORTER COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUNDS  
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	\$ 10,923	\$ 55,588	\$ 44,713	\$ 21,798
Dog	590	388	320	658
Township Assistance	10,408	80,114	31,701	58,821
Firefighting	137,307	161,243	206,864	91,686
Levy Excess	4,724	5,969	-	10,693
Cumulative Fire	<u>182,501</u>	<u>52,689</u>	<u>1,322</u>	<u>233,868</u>
Totals	<u>\$ 346,453</u>	<u>\$ 355,991</u>	<u>\$ 284,920</u>	<u>\$ 417,524</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Township	\$ 21,798	\$ 34,095	\$ 49,395	\$ 6,498
Dog	658	-	659	(1)
Township Assistance	58,821	27,927	38,257	48,491
Firefighting	91,686	100,818	180,615	11,889
Levy Excess	10,693	-	10,693	-
Cumulative Fire	<u>233,868</u>	<u>33,113</u>	<u>-</u>	<u>266,981</u>
Totals	<u>\$ 417,524</u>	<u>\$ 195,953</u>	<u>\$ 279,619</u>	<u>\$ 333,858</u>

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

LIBERTY TOWNSHIP, PORTER 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, 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.

LIBERTY TOWNSHIP, PORTER COUNTY  
NOTES TO SCHEDULES  
(Continued)

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

Property Taxes

In accordance with state statutes, all counties were required to reassess property values prior to billing taxes in 2008. Significant delays in the reassessment process have resulted in delays in billing taxes in 2008. Taxes are normally billed in two installments, the first due in May and the second in November.

On March 20, 2008, the County Council approved a resolution electing to send provisional tax statements because the County did not complete the abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in 2008 in each taxing district before March 16, 2008. The provisional taxes are based upon 50% of the 2006 payable 2007 tax liability less the projected 2008 state tax relief plus all other charges. The provisional bills were mailed with the taxes due by July 18, 2008. After the abstract of property is complete, a reconciling statement in the amount of the actual tax liability for taxes payable in 2008 minus the amount paid under the provisional statement will be billed. It is anticipated the final billing will occur on December 5, 2008, with the taxes due by December 22, 2008.

LIBERTY TOWNSHIP, PORTER COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 13, 2008, with Margaret Ruge, Trustee. Our examination disclosed no material items that warrant comment at this time.