

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

EXAMINATION REPORT
OF
LIBERTY TOWNSHIP
WABASH COUNTY, INDIANA
January 1, 2004 to December 31, 2005



FILED
12/06/2006

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OFFICIALS

Office

Official

Term

Trustee

Larry D. Manning

01-01-03 to 12-31-06

Chairman of the
Township Board

Richard McMinn

01-01-04 to 12-31-06



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Liberty Township (Township), for the period of January 1, 2004 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, 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

October 26, 2006

LIBERTY TOWNSHIP, WABASH COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 38,281	\$ 21,430	\$ 26,440	\$ 33,271
Dog	712	384	416	680
Township Assistance	30,525	6,159	5,765	30,919
Firefighting	92,846	49,450	51,517	90,779
Cumulative Fire	59,515	38,297	32,653	65,159
Levy Excess	-	1,556	-	1,556
Totals	<u>\$ 221,879</u>	<u>\$ 117,276</u>	<u>\$ 116,791</u>	<u>\$ 222,364</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 33,271	\$ 16,734	\$ 22,561	\$ 27,444
Dog	680	356	412	624
Township Assistance	30,919	9,474	5,329	35,064
Firefighting	90,779	36,537	51,819	75,497
Cumulative Fire	65,159	36,355	32,654	68,860
Levy Excess	1,556	1,559	-	3,115
Totals	<u>\$ 222,364</u>	<u>\$ 101,015</u>	<u>\$ 112,775</u>	<u>\$ 210,604</u>

The accompanying notes are an integral part of the schedules.

LIBERTY TOWNSHIP, WABASH 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). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

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 Depositary 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. Long-Term Debt

The Township has entered into a capital lease for a fire truck. The outstanding principal at December 31, 2005, was \$61,313.

LIBERTY TOWNSHIP, WABASH COUNTY
EXIT CONFERENCE

The contents of this report were discussed on October 26, 2006, with Larry D. Manning, Trustee. Our examination disclosed no material items that warrant comment at this time.