

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

EXAMINATION REPORT  
OF  
LIBERTY TOWNSHIP  
DELAWARE COUNTY, INDIANA  
January 1, 2009 to December 31, 2009



**FILED**  
05/05/2010



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OFFICIALS

Office

Official

Term

Trustee

Brian Dudley

01-01-07 to 12-31-10

Chairman of the  
Township Board

Eugene Woodruff

01-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

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

The Schedule of Capital Assets, 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

March 25, 2010

LIBERTY TOWNSHIP, DELAWARE COUNTY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
Township	\$ 6,629	\$ 18,096	\$ 19,744	\$ 4,981
Township Assistance	29,603	9,937	15,194	24,346
Firefighting	60,019	50,555	49,445	61,129
Cumulative Fire	17,199	22,128	-	39,327
Fire Debt	5,733	16,020	8,240	13,513
Rainy Day	3,034	12	-	3,046
Fiduciary Fund:				
Payroll Withholdings	-	1,446	1,446	-
Totals	<u>\$ 122,217</u>	<u>\$ 118,194</u>	<u>\$ 94,069</u>	<u>\$ 146,342</u>

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

LIBERTY TOWNSHIP, DELAWARE 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). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. Property tax collections were delayed in 2009 due to reassessment delays resulting in the first installment for 2009 being distributed in December 2009. The second installment for 2009 has not yet been distributed.

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

In 2010, the Township financed the purchase of firefighting equipment with a loan in the amount of \$193,930 at an interest rate of 5.5%.

LIBERTY TOWNSHIP, DELAWARE COUNTY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Machinery and equipment:	
Vehicles	\$ 1,000,354
Non-portable equipment	10,000
Office equipment	<u>1,500</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,011,854</u>

LIBERTY TOWNSHIP, DELAWARE COUNTY  
EXAMINATION RESULT AND COMMENT

DONATIONS

The Township donated \$1,300 to the Selma Athletic League.

Governmental funds should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

LIBERTY TOWNSHIP, DELAWARE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on March 25, 2010, with Brian Dudley, Trustee.