

LIBERTY TOWNSHIP
ROSS COUNTY, OHIO

Audited Financial Statements

For the Years Ended December 31, 2005 and 2004



Mary Taylor, CPA

Auditor of State

Board of Trustees
Liberty Township
P. O. Box 151
Londonderry, Ohio 45647

We have reviewed the *Independent Auditor's Report* of Liberty Township, Ross County, prepared by Van Krevel & Company, for the audit period January 1, 2004 through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

The financial statements in the attached report are presented in accordance with a regulatory basis of accounting prescribed or permitted by the Auditor of State. Due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA), modifications were required to the *Independent Auditor's Report* on your financial statements. While the Auditor of State does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. The attached report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the statements are misstated under the non-GAAP regulatory basis. The *Independent Auditor's Report* also includes an opinion on the financial statements using the regulatory format the Auditor of State permits.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Liberty Township is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 11, 2007

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Liberty Township
Ross County, Ohio

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Van Krevel & Company
Certified Public Accountants
5201 Indian Hill Road
Dublin, Ohio 43017
614-761-3743

Independent Auditor's Report

Liberty Township
Ross County
P O Box 151
Londonderry, Ohio 45647

To the Board of Trustees:

We have audited the accompanying financial statements of Liberty Township, Ross County, Ohio (the Township) as of and for the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to reasonably assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, we presume they are material.

Revisions to GAAP would require the Township to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2005 and 2004. Instead of the combined funds accompanying the financial statements present for 2005 and 2004, the revisions require presenting entity wide statements and also presenting its larger (i.e., major) funds separately for 2005 and 2004. While the Township does not follow GAAP, generally accepted auditing standards require us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require townships to reformat their statements. The Township has elected not to reformat its statements. Since this Township does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to the non-GAAP basis is in the second following paragraph.

Liberty Township
Ross County, Ohio
Independent Auditor's Report
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In our opinion, because of the effects of the matters discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2005 and 2004, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of Liberty Township, Ross County, as of December 31, 2005 and 2004, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

The aforementioned revision to generally accepted accounting principles also requires the Township to include Management's Discussion and Analysis for the years ended December 31, 2005 and 2004. The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2006, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. It does not opine on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

/s/ Van Krevel & Company
Dublin, Ohio

November 22, 2006

Liberty Township
Ross County, Ohio

Combined Statement of Cash Receipts, Cash Disbursements
and Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2005

	Governmental Fund Types				Totals
	General	Special Revenue	Debt Service	Capital Projects	Memorandum Only
Cash Receipts:					
Property and Other Local Taxes	\$ 25,539	\$ 95,845	\$48,996	\$	\$170,380
Licenses, Permits and Fees	570	19,350			19,920
Intergovernmental	59,097	113,202		29,573	201,872
Earnings on Investments	8,720	310			9,030
Miscellaneous	<u>10,825</u>	<u>12,155</u>			<u>22,980</u>
Total Cash Receipts	<u>104,751</u>	<u>240,862</u>	<u>48,996</u>	<u>29,573</u>	<u>424,182</u>
Cash Disbursements:					
Current:					
General Government	72,580	2,254			74,834
Public Safety		35,693			35,693
Public Works	3,854	99,673			103,527
Health		47,463			47,463
Capital Outlay		17,587		29,573	47,160
Debt Service:					
Redemption of Principal			23,690		23,690
Interest and Other Fiscal Charges			<u>25,306</u>		<u>25,306</u>
Total Cash Disbursements	<u>76,434</u>	<u>202,670</u>	<u>48,996</u>	<u>29,573</u>	<u>357,673</u>
Total Receipts Over (Under) Disbursements	28,317	38,192	-	-	66,509
Other Financing Receipts (Disbursements)					
Transfers In		11,339			11,339
Transfers Out	<u>(11,339)</u>				<u>(11,339)</u>
Total Other Financing Receipts (Disbursements)	(11,339)	11,339	-	-	-
Excess of Cash Receipts and Other Financing Receipts Over (Under) Cash Disbursements And Other Financing Disbursements	<u>16,978</u>	<u>49,531</u>	<u>-</u>	<u>-</u>	<u>66,509</u>
Fund Cash Balances, January 1	<u>36,720</u>	<u>313,905</u>	<u>-</u>	<u>-</u>	<u>350,625</u>
Fund Cash Balances, December 31	<u>\$ 53,698</u>	<u>\$ 363,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$417,134</u>
Reserve for Encumbrances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Liberty Township
Ross County, Ohio

Combined Statement of Cash Receipts, Cash Disbursements
and Changes in Fund Cash Balances
All Governmental Fund Types
For the Year Ended December 31, 2004

	Governmental Fund Types				Totals
	General	Special Revenue	Debt Service	Capital Projects	Memorandum Only
Cash Receipts:					
Property and Other Local Taxes	\$ 25,841	\$ 103,497	\$49,921	\$	\$179,259
Licenses, Permits and Fees	605	16,650			17,255
Intergovernmental	53,691	102,134		28,200	184,025
Earnings on Investments	5,132	132			5,264
Miscellaneous	<u>3,710</u>	<u>9,946</u>			<u>13,656</u>
Total Cash Receipts	<u>88,979</u>	<u>232,359</u>	<u>49,921</u>	<u>28,200</u>	<u>399,459</u>
Cash Disbursements:					
Current:					
General Government	71,778	2,031			73,809
Public Safety		33,051			33,051
Public Works	3,874	96,136			100,010
Health		42,679			42,679
Capital Outlay		5,551		28,200	33,751
Debt Service:					
Redemption of Principal			23,690		23,690
Interest and Other Fiscal Charges			<u>26,231</u>		<u>26,231</u>
Total Cash Disbursements	<u>75,652</u>	<u>179,448</u>	<u>49,921</u>	<u>28,200</u>	<u>333,221</u>
Total Receipts Over (Under) Disbursements	13,327	52,911	-	-	66,238
Fund Cash Balances, January 1	<u>23,393</u>	<u>260,994</u>	<u>-</u>	<u>-</u>	<u>284,387</u>
Fund Cash Balances, December 31	<u>\$ 36,720</u>	<u>\$313,905</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,625</u>
Reserve for Encumbrances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Liberty Township
Ross County, Ohio

Notes to the Financial Statements
December 31, 2005 and 2004

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Description of the Entity

Liberty Township, Ross County, Ohio (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of the State of Ohio, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of the State of Ohio.

C Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost. The investment in STAR Ohio (the State Treasurer's investment pool) is valued at amounts reported by the State Treasurer.

D Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1 General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Liberty Township
Ross County, Ohio

Notes to the Financial Statements
December 31, 2005 and 2004

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D Fund Accounting (continued)

2 Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than those from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

Road and Bridge Fund - This fund receives property tax money to pay for constructing, maintaining and repairing Township roads and bridges.

Cemetery Fund - This fund receives tax money used for maintaining the cemetery.

Fire Fund - This fund receives gasoline tax money and grants to continue to provide fire services to the Township.

Special Levy Fund - This fund receives tax money for maintaining and paying off the debt for the new fire station.

3 Debt Service Fund

The debt service fund is used to accumulate resources for the payment of bonds and note indebtedness. This fund is used to pay the debt issued to construct the Fire Station.

4 Capital Projects Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township uses this fund to account for Issue II monies received and expended by the Ross County Engineer on behalf of the Township for road and bridge maintenance.

E Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1 Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

Liberty Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2005 and 2004

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E Budgetary Process (continued)

2 Estimated Resources

Estimated resources include estimates of cash to be received plus cash as of January 1. The County Budget Commission must also approve estimated resources.

3 Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be re-appropriated in the subsequent year.

A summary of the 2005 and 2004 budgetary activity appears in Note 3.

F Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

2 EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2005</u>	<u>2004</u>
Demand Deposits	\$132,299	\$158,884
Certificates of Deposit	<u>200,613</u>	<u>110,139</u>
Total Deposits	332,912	269,023
STAR Ohio	<u>84,222</u>	<u>81,602</u>
Total Deposits and Investments	<u>\$417,134</u>	<u>\$350,625</u>

Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

Liberty Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2005 and 2004

3 BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2005 and 2004, are as follows:

	<u>2005 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted</u>	<u>Actual</u>	
	<u>Receipts</u>	<u>Receipts</u>	<u>Variance</u>
General	\$ 84,417	\$104,751	\$ 20,334
Special Revenue	216,334	252,201	35,867
Debt Service	48,996	48,996	-
Capital Projects	<u>44,973</u>	<u>29,573</u>	<u>(15,400)</u>
Total	<u>\$394,720</u>	<u>\$435,521</u>	<u>\$ 40,801</u>

	<u>2005 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation</u>	<u>Budgetary</u>	
	<u>Authority</u>	<u>Expenditures</u>	<u>Variance</u>
General	\$106,002	\$ 87,773	\$ 18,229
Special Revenue	298,955	202,670	96,285
Debt Service	48,999	48,996	3
Capital Projects	<u>29,573</u>	<u>29,573</u>	<u>-</u>
Total	<u>\$483,529</u>	<u>\$369,012</u>	<u>\$114,517</u>

	<u>2004 Budgeted vs. Actual Receipts</u>		
	<u>Budgeted</u>	<u>Actual</u>	
	<u>Receipts</u>	<u>Receipts</u>	<u>Variance</u>
General	\$ 80,047	\$ 88,979	\$ 8,932
Special Revenue	197,833	232,359	34,526
Debt Service	49,923	49,921	(2)
Capital Projects	<u>28,200</u>	<u>28,200</u>	<u>-</u>
Total	<u>\$356,003</u>	<u>\$399,459</u>	<u>\$ 43,456</u>

	<u>2004 Budgeted vs. Actual Budgetary Basis Expenditures</u>		
	<u>Appropriation</u>	<u>Budgetary</u>	
	<u>Authority</u>	<u>Expenditures</u>	<u>Variance</u>
General	\$102,562	\$ 75,652	\$ 26,910
Special Revenue	284,131	179,448	104,683
Debt Service	49,921	49,921	-
Capital Projects	<u>28,200</u>	<u>28,200</u>	<u>-</u>
Total	<u>\$464,814</u>	<u>\$333,221</u>	<u>\$131,593</u>

Liberty Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2005 and 2004

4 PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payments, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property with the County by April 30 each year.

The County is responsible for assessing property, and for billing, collecting and distributing all property taxes on behalf of the Township.

5 DEBT

Debt outstanding at December 31, 2005, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
Series 2001 - Fire Station Bonds	\$465,000	4%

The general obligation bonds were issued to pay the note issued in 2001 for the construction of the new fire station. The bonds are collateralized solely by the Township's taxing authority.

Amortization of the debt, including interest, is scheduled as followed:

<u>Year Ending December 31</u>	
2006	\$ 44,305
2007	43,465
2008	42,585
2009	41,665
2010	45,725
Thereafter	<u>489,125</u>
	<u>\$706,870</u>

Liberty Township
Ross County, Ohio

Notes to Financial Statements
December 31, 2005 and 2004

6 RETIREMENT SYSTEM

The Township's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost sharing, multiple-employer plan. This plan provides retirement benefits, including post-retirement healthcare and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. For 2005 and 2004, OPERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries. The Township has paid all contributions required through December 31, 2005.

7 RISK MANAGEMENT

The Township belongs to the Ohio Government Risk Management Plan (the "Plan"), an unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to approximately 500 Ohio governments ("Members").

Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is deemed a separate legal entity for the public purpose of enabling its members to obtain self-insurance through a jointly administered self-insurance fund. The Plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages, modified for each Member's risk management needs. The Plan pays judgments, settlements, and other expenses resulting from covered claims that exceed the Member's deductible.

The Plan issues its own policies and reinsures with A- VII or better rated carriers, except for the portion the Plan retains. With policies effective September 1, 2002 and after, the Plan began retaining 5% of the premium and losses on the first \$500,000 casualty treaty and 5% of the first \$1,000,000 property treaty. With policies effective November 1, 2005 and after, the Plan began retaining 15% of the premium and losses on the first \$250,000 casualty treaty and 10% of the first \$1,000,000 property treaty. The individual members are only responsible for their self-retention (deductible) amounts, which vary from member to member.

The Pool's financial statements (audited by other auditors) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31:

	<u>2005</u>	<u>2004</u>
Assets	\$8,219,430	\$6,685,522
Liabilities	<u>(2,748,639)</u>	<u>(2,227,808)</u>
Members' Equity	<u>\$5,470,791</u>	<u>\$4,457,714</u>

Complete audited financial statements for The Ohio Government Risk Management Plan can be read at the Plan's website, www.ohioplan.org.

Van Krevel & Company
Certified Public Accountants
5201 Indian Hill Road
Dublin, Ohio 43017
614-761-3743

INDEPENDENT ACCOUNTANT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Liberty Township
Ross County, Ohio
P O Box 151
Londonderry, Ohio 45647

To the Board of Trustees:

We have audited the financial statements of Liberty Township, Ross County, Ohio (the Township) as of and for the years ended December 31, 2005 and 2004, and have issued our report thereon dated November 22, 2006, wherein we noted that the Township followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level of risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that we have reported to management of Liberty Township in a separate letter dated November 22, 2006.

Liberty Township
Ross County, Ohio
Independent Accountant's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contract and grants, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying Schedule of Findings.

This report is intended for the information and use of management and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

/s/ Van Krevel & Company
Dublin, Ohio

November 22, 2006

Liberty Township
Ross County, Ohio

Schedule of Findings
December 31, 2005 and 2004

Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS

Finding - Improper Posting of Receipts

Ohio Revised Code Section 5705.10 states that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose shall be paid into a special fund for such purpose.

During 2004 and 2005, the Township posted numerous receipts incorrectly. Some were posted to the correct Fund but an incorrect category. However, there were also receipts that were not posted to the correct fund.

<u>2004</u>			
<u>Revenue Source</u>	<u>Amount</u>	<u>Recorded in Fund</u>	<u>Proper Fund</u>
Ross County Auditor	\$3,358.91	Motor Vehicle Fund	General Fund
Ross County Auditor	2,848.11	General Fund	Gas Tax Fund
<u>2005</u>			
<u>Revenue Source</u>	<u>Amount</u>	<u>Recorded in Fund</u>	<u>Proper Fund</u>
Ross County Auditor	\$ 103.21	Road & Bridge Fund	Cemetery Fund
Ross County Auditor	660.28	Cemetery Fund	Road & Bridge Fund

Improper posting of receipts leads to inaccurate financial information and in some cases understated and/or overstated Township fund balances. Inaccurate postings could also allow restricted funds to be used for improper purposes.

The accompanying financial statements have been adjusted for the above amounts, as well as the Township's records.

We recommend that the Clerk utilize the tax settlement sheets received from the County Auditor and other documentation when posting receipts to ensure they are posted to the appropriate funds and accounts.



Mary Taylor, CPA
Auditor of State

LIBERTY TOWNSHIP

ROSS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 24, 2007**