



Dave Yost • Auditor of State

LIBERTY TOWNSHIP
UNION COUNTY

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Liberty Township
Union County
P.O. Box 122
Raymond, Ohio 43067

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements and related notes of Liberty Township, Union County, Ohio, (the Township) as of and for the years ended December 31, 2012 and 2011.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the Township prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03, which is an accounting basis other than accounting principles generally accepted in the United States of America, to satisfy requirements.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2012 and 2011, or changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined cash balances of Liberty Township, Union County, Ohio as of December 31, 2012 and 2011, and its combined cash receipts and disbursements for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permits, described in Note 1.

Emphasis of Matter

As discussed in Note 1 to the financial statements, during 2011 Liberty Township adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2013, 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 internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Dave Yost
Auditor of State

Columbus, Ohio

May 14, 2013

**LIBERTY TOWNSHIP
UNION COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 91,546	\$ 362,037	\$ -	\$ -	\$ 453,583
Charges for Services		330,276			330,276
Licenses, Permits and Fees	2,950	4,977			7,927
Fines and Forfeitures	6,745				6,745
Intergovernmental	60,519	200,700			261,219
Special Assessments		5,767			5,767
Earnings on Investments	6,221	67			6,288
Miscellaneous	21,446	5,592			27,038
<i>Total Cash Receipts</i>	<u>189,427</u>	<u>909,416</u>	<u>-</u>	<u>-</u>	<u>1,098,843</u>
Cash Disbursements					
Current:					
General Government	192,009	4,417			196,426
Public Safety	1,266	571,465			572,731
Public Works	25,380	86,844			112,224
Health	3,016	2,279			5,295
Conservation-Recreation	27,509	-			27,509
Capital Outlay	105,508	-			105,508
<i>Total Cash Disbursements</i>	<u>354,688</u>	<u>665,005</u>	<u>-</u>	<u>-</u>	<u>1,019,693</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(165,261)</u>	<u>244,411</u>	<u>-</u>	<u>-</u>	<u>79,150</u>
Other Financing Receipts (Disbursements)					
Sale of Capital Assets	19,283				19,283
Other Financing Uses	(29)				(29)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>19,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,254</u>
<i>Net Change in Fund Cash Balances</i>	<u>(146,007)</u>	<u>244,411</u>	<u>-</u>	<u>-</u>	<u>98,404</u>
<i>Fund Cash Balances, January 1</i>	<u>542,972</u>	<u>1,235,612</u>	<u>84</u>	<u>3,253</u>	<u>1,781,921</u>
Fund Cash Balances, December 31					
Restricted		1,480,023		3,253	1,483,276
Assigned	396,965		84		397,049
<i>Fund Cash Balances, December 31</i>	<u>\$ 396,965</u>	<u>\$ 1,480,023</u>	<u>\$ 84</u>	<u>\$ 3,253</u>	<u>\$ 1,880,325</u>

The notes to the financial statements are an integral part of this statement.

**LIBERTY TOWNSHIP
UNION COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	General	Special Revenue	Debt Service	Capital Projects	Totals (Memorandum Only)
Cash Receipts					
Property and Other Local Taxes	\$ 92,057	\$ 362,879	\$ -	\$ -	\$ 454,936
Charges for Services		317,539			317,539
Licenses, Permits and Fees	2,450	7,214			9,664
Fines and Forfeitures	4,899				4,899
Intergovernmental	90,841	210,409			301,250
Special Assessments		5,521			5,521
Earnings on Investments	8,143	174			8,317
Miscellaneous	11,102	34,269			45,371
<i>Total Cash Receipts</i>	<u>209,492</u>	<u>938,005</u>	<u>-</u>	<u>-</u>	<u>1,147,497</u>
Cash Disbursements					
Current:					
General Government	197,436	4,688			202,124
Public Safety		623,229			623,229
Public Works	28,683	119,723			148,406
Health	7,522	2,201			9,723
Capital Outlay	2,185	128,756		800	131,741
<i>Total Cash Disbursements</i>	<u>235,826</u>	<u>878,597</u>	<u>-</u>	<u>800</u>	<u>1,115,223</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(26,334)</u>	<u>59,408</u>	<u>-</u>	<u>(800)</u>	<u>32,274</u>
Other Financing Receipts (Disbursements)					
Other Financing Uses	(3,053)				(3,053)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(3,053)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,053)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(29,387)</u>	<u>59,408</u>	<u>-</u>	<u>(800)</u>	<u>29,221</u>
<i>Fund Cash Balances, January 1</i>	<u>572,359</u>	<u>1,176,204</u>	<u>84</u>	<u>4,053</u>	<u>1,752,700</u>
Fund Cash Balances, December 31					
Restricted		1,235,612	-	3,253	1,238,865
Assigned	542,972		84	-	543,056
<i>Fund Cash Balances, December 31</i>	<u>\$ 542,972</u>	<u>\$ 1,235,612</u>	<u>\$ 84</u>	<u>\$ 3,253</u>	<u>\$ 1,781,921</u>

The notes to the financial statements are an integral part of this statement.

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Liberty Township, Union County, Ohio, (the Township) as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Union County Sheriff's Office to provide routine police protection services.

The Township participates in the LUC Regional Planning Commission, a jointly governed organization. Note 7 to the financial statements provides additional information for this entity.

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

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements 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 the Auditor of State prescribes or permits.

C. Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

Money market mutual funds (including STAR Ohio) are recorded at share values the mutual funds report. The Township values a certificate of deposit at cost.

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 accounts for and reports all financial resources not accounted for and reported in another fund.

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds

These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. 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.

Special Levy Fire Fund - This fund receives fire levy tax money and charges for services for the funding of fire and EMS services provided to the residents of Liberty, Taylor, and York Townships.

3. Debt Service Fund

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

4. Capital Project Fund

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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. Appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) 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 canceled, and reappropriated in the subsequent year.

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

E. Budgetary Process (Continued)

A summary of 2012 and 2011 budgetary activity appears in Note 3.

F. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Township must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

1. Nonspendable

The Township classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

2. Restricted

Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

3. Committed

Trustees can *commit* amounts via formal action (resolution). The Township must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

4. Assigned

Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. Governmental funds other than the general fund report all fund balances as *assigned* unless they are restricted or committed. In the general fund, *assigned* amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

5. Unassigned

Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

G. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

H. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Equity in Pooled Deposits and Investments

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

	2012	2011
Demand deposits	\$301,504	\$403,275
Certificates of deposit	1,400,000	1,100,000
STAR Ohio	178,821	278,646
Total deposits and investments	\$1,880,325	\$1,781,921

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

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

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2012 and 2011 follows:

2012 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$210,650	\$208,710	(\$1,940)
Special Revenue	897,550	909,416	11,866
Total	\$1,108,200	\$1,118,126	\$9,926

2012 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$767,263	\$354,717	\$412,546
Special Revenue	2,119,157	665,005	1,454,152
Capital Projects	3,381	0	3,381
Total	\$2,889,801	\$1,019,722	\$1,870,079

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

3. Budgetary Activity (Continued)

2011 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$237,700	\$209,492	(\$28,208)
Special Revenue	922,750	938,005	15,255
Total	\$1,160,450	\$1,147,497	(\$12,953)

2011 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$833,211	\$238,879	\$594,332
Special Revenue	2,075,438	878,597	1,196,841
Capital Projects	4,181	800	3,381
Total	\$2,912,830	\$1,118,276	\$1,794,554

4. Property Tax

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

Public utilities are also taxed on personal and real property located within the Township.

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

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

5. Retirement Systems

The Township's certified Fire Fighters belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2012 and 2011, OP&F participants contributed 10% of their wages. For 2012 and 2011, the Township contributed to OP&F an amount equal to 24% of the full-time fire fighter's wage. For 2012 and 2011, OPERS members contributed 10% of their gross salaries and the Township contributed an amount equaling 14% of participants' gross salaries. The Township has paid all contributions required through December 31, 2012.

**LIBERTY TOWNSHIP
UNION COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
(Continued)**

5. Retirement Systems (Continued)

All employees not otherwise covered by the OP&F and OPERS have an option to choose Social Security. As of December 31, 2012, part-time firefighters have elected Social Security. The Township's liability is 6.2 percent of wages paid.

6. Risk Management

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

7. Jointly Governed Organization

Liberty Township participates in the LUC Regional Planning Commission which is a statutorily created political subdivision of the State. The Commission is jointly governed among Logan, Union, and Champaign Counties, and the cities of Bellefontaine, Marysville, and Urbana. Each member's control over the operation of the Commission is limited to its representation on the Board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the entities involved. The Township contributed \$2,544 in 2012 and \$1,374 in 2011. Due to the 2010 census, Union County has become the fiscal agent for the Commission in 2012. Additional information may be obtained by writing to the LUC Regional Planning Commission, P.O. Box 219, East Liberty, Ohio 43319.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Liberty Township
Union County
P.O. Box 122
Raymond, Ohio 43067

To the Board of Trustees:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Liberty Township, Union County, Ohio, (the Township) as of and for the years ended December 31, 2012 and 2011, and the related notes to the financial statements and have issued our report thereon dated May 14, 2013 wherein we noted the Township followed accounting financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 permit, described in Note 1. In addition, we noted that in 2011 the Township adopted Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township's internal control. Accordingly, we have not opined on it.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Township's financial statements. We consider finding 2012-01 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2012-01.

Entity's Response to Findings

The Township's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the Township's response and, accordingly, we express no opinion on it.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State

Columbus, Ohio

May 14, 2013

**LIBERTY TOWNSHIP
UNION COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2012 AND 2011**

**FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

FINDING NUMBER 2012-01

Noncompliance Citation/Material Weakness

Ohio Revised Code § 5705.10 (C) states that all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made. Additionally, Section (D) 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.

The Township did not post a homestead and rollback receipt to the Special Fire Levy Fund in accordance to millage levied for each fund. This resulted in adjustments in 2012 and 2011 of \$29,775 and \$13,707, respectively, from the General Fund to the Special Fire Levy Fund. The Fiscal Officer made the adjustment to the Township's records and the adjustment is reflected in the accompanying financial statements.

Failure to post receipts to correct funds based on rollback allocations provided by the County Auditor's Office results in inaccurate fund balances being reported in the Township's accounting records and could result in the monies being used for purposes other than the levy allows.

The Fiscal Officer should be diligent in assuring funds are properly posted to the correct funds in accordance with the County settlement information and the Ohio Revised Code.

Officials' Response:

The checks we received directly from the State of Ohio for homestead and rollback tax payments specifically stated on them "general fund". There was no apportionment data received that indicated they were to be distributed between funds. I will in the future distribute these funds based upon the County Auditor's tax apportionment of real estate funds.

**LIBERTY TOWNSHIP
UNION COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2012 AND 2011**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
Finding 2010-01	Financial Reporting Comment	No	Reissued as Finding 2012-001
Finding 2010-02	Ohio Revised Code §5705.39 – Appropriations Exceeding Estimated Resources	Yes	No Longer Valid
Finding 2010-03	Ohio Revised Code §5705.41(D) – Prior Certification of Expenditures	Yes	Corrected
Finding 2010-04	Budgeted Appropriations and Budgeted Receipts in UAN	Yes	Corrected
Finding 2010-05	Ohio Revised Code §5705.36 – Obtaining Amendment to Certificate of Estimated Resources	Yes	No Longer Valid
Finding 2010-06	Ohio Revised Code §5705.44 – Unrecorded Encumbrances	Yes	Corrected



Dave Yost • Auditor of State

LIBERTY TOWNSHIP

UNION 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
JUNE 25, 2013**