

**Liberty Township Board of Auditors**  
**39 Topper Road**  
**Fairfield, PA 17320**

May 6, 2008

Board of Supervisors  
Liberty Township  
39 Topper Road  
Fairfield, PA 17320

Dear Messrs. Harner, Foscatto, and Bostek:

In accordance with the laws of the State of Pennsylvania and the ordinances of Liberty Township, we have conducted an audit of the records and practices of Liberty Township for the fiscal year 2007. We found no discrepancies and no deviation from accepted accounting practice. In fact the audit this year was a slam dunk because all the records were in order and all of the transactions performed in a proper manner. We would like to compliment Lea Esta for her role in making this the smoothest audit we have conducted to date. A few comments are in order:

1. All bank statements were reviewed and since there were no discrepancies we did not think it necessary to obtain opinion statements from the banks at a cost of \$25 each.
2. We examined labor cards and found no discrepancies. In the future all labor cards should be approved by the roadmaster.
3. Natalie Williams furnished Tax Revenue Statements but the County audits these Separately and the information is no longer required on the Township Audit Report.
4. The final financing payment for a truck in the amount of \$13,121 was made in 2007. A new financing arrangement in the amount of \$45,000 was made in 2007 for the acquisition of a new tractor.
5. Last year and again this year we had a minor book balancing problem caused by transfers out of one account and into another at year end in two different fiscal periods. Our audit would be easier if these transfers could be completed in one fiscal year.

All things considered this was the best audit we have conducted and we would like to express our appreciation to the Supervisors and The Township Secretary for doing a fine job of running Liberty Township during the past year.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert D. Jackson". The signature is written in a cursive style with a large, prominent initial "R".

Robert D. Jackson, Chairman

A handwritten signature in black ink that reads "Carol Kletz". The signature is written in a cursive style with a large, prominent initial "C".

Carol Kletz, Secretary

A handwritten signature in blue ink that reads "Sandie Schultz". The signature is written in a cursive style with a large, prominent initial "S".

Sandie Schultz, Chairman in Waiting

**2007 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**010635 LIBERTY TWP, ADAMS COUNTY**



TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY

108,880

**LIBERTY TWP, ADAMS County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2007

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

Taxes								
301.00	Real Estate Taxes	94,044						94,044
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes	4,409						4,409
310.10	Real Estate Transfer Taxes	41,431						41,431
310.20	Earned Income Taxes / Wage Taxes	147,232						147,232
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **							
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other Local Tax Enabling Act / Act 511 / Taxes							
	Other: _____							
<b>Total Taxes</b>		<b>287,116</b>						<b>287,116</b>

Licenses and Permits								
320-322	All Other Licenses and Permits	450						450
321.80	Cable Television Franchise Fees	9,723						9,723
<b>Total Licenses and Permits</b>		<b>10,173</b>						<b>10,173</b>

Fines and Forfeits								
330-332	Fines and Forfeits	9,517						9,517
<b>Total Fines and Forfeits</b>		<b>9,517</b>						<b>9,517</b>

LIBERTY TWP, ADAMS County  
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December 31, 2007

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**REVENUES**

Interest, Rents and Royalties								
341.00	Interest Earnings	193	1,009	125				1,327
342.00	Rents and Royalties							
<b>Total Interest, Rents and Royalties</b>		193	1,009	125				1,327

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
<b>Total Federal</b>								

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants	10,000						10,000
355.01	Public Utility Realty Tax (PURTA)	363						363
355.02	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		48,421					48,421
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	12,884						12,884
355.00	All Other State Shared Revenues and Entitlements	9,072						9,072

LIBERTY TWP, ADAMS County  
**STATEMENT OF REVENUES AND EXPENDITURES**  
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**REVENUES**

State								
356.00	State Payments in Lieu of Taxes							80,740
<b>Total State</b>		32,319	48,421					

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							38,000
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services	38,000						
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							38,000
<b>Total Local Government Units</b>		38,000						

Charges for Service								
361.00	General Government	13,157						13,157
362.00	Public Safety	6,375						6,375
363.20	Parking							
363.00	All Other Charges for Highway & Streets Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)							
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							
369.00	Bars							



LIBERTY TWP, ADAMS County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2007

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**REVENUES**

Charges for Service								
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
<b>Total Charges for Service</b>		19,532						19,532

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	769						769
388.00	Fiduciary Fund Pension Contributions					23,821		23,821
389.00	All Other Unclassified Operating Revenues							
<b>Total Unclassified Operating Revenues</b>		769				23,821		24,590

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	6,411						6,411
392.00	Interfund Operating Transfers	600		88,794				89,394
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

LIBERTY TWP, ADAMS County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2007

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**REVENUES**

Other Financing Sources							
395.00	Refunds of Prior Year Expenditures	4,789					4,789
<b>Total Other Financing Sources</b>		11,800	88,794				100,594

**TOTAL REVENUES**

409,419	49,430	88,919				23,821	571,589
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**EXPENDITURES**

General Government							
400.00	Legislative (Governing) Body	1,430					1,430
401.00	Executive (Manager or Mayor)						
402.00	Auditing Services / Financial Administration	160					160
403.00	Tax Collection	4,737					4,737
404.00	Solicitor / Legal Services	4,974					4,974
405.00	Secretary / Clerk	31,933					31,933
406.00	Other General Government Administration	36,063					36,063
407.00	IT-Networking Services-Data Processing						
408.00	Engineering Services	33,768					33,768
409.00	General Government Buildings and Plant	8,954					8,954
<b>Total General Government</b>		122,019					122,019

**Public Safety**

410.00	Police	81,177					81,177
411.00	Fire	9,572					9,572
412.00	Ambulance / Rescue						
413.00	UCC and Code Enforcement						
414.00	Planning and Zoning	3,578					3,578
415.00	Emergency Management and Communications	819					819

LIBERTY TWP, ADAMS County  
**STATEMENT OF REVENUES AND EXPENDITURES**  
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**EXPENDITURES**

Public Safety								
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		95,146						95,146

Health and Human Services								
420.00-425.00	Health and Human Services	3,541						3,541
<b>Total Health and Human Services</b>		3,541						3,541

Public Works - Sanitation								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
<b>Total Public Works - Sanitation</b>								

Public Works - Highways and Streets								
430.00	General Services - Administration	42,258	11,116					53,374
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance - Snow Removal		4,791					4,791
433.00	Traffic Control Devices	683						683
434.00	Street Lighting							
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							

LIBERTY TWP, ADAMS County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2007

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

Public Works - Highways and Streets							
437.00	Repairs of Tools and Machinery	2,189	4,420				6,609
438.00	Maintenance and Repairs of Roads and Bridges						
439.00	Highway Construction and Rebuilding Projects	9,556	23,596				33,152
<b>Total Public Works - Highways and Streets</b>		54,686	43,923				98,609

Other Public Works Enterprises							
440.00	Airports						
441.00	Cemeteries						
442.00	Electric System						
443.00	Gas System						
444.00	Markets						
445.00	Parking Facilities						
446.00	Storm Water and Flood Control						
447.00	Transit System						
448.00	Water System						
449.00	Water Transport and Terminals						
<b>Total Other Public Works Enterprises</b>							

Culture and Recreation							
451.00	Culture-Recreation Administration						
452.00	Participant Recreation						
453.00	Spectator Recreation						
454.00	Parks						
455.00	Shade Trees						
456.00	Libraries						

**LIBERTY TWP, ADAMS County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2007

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

Culture and Recreation								
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation	733						733
<b>Total Culture and Recreation</b>		<b>733</b>						<b>733</b>

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>								

Debt Service								
471.00	Debt Principal (short-term and long-term)	37,516						37,516
472.00	Debt Interest (short-term and long-term)	1,240						1,240
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>		<b>38,756</b>						<b>38,756</b>

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	11,955						11,955
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	25,955						25,955
484.00	Worker Compensation Insurance	9,427						9,427

LIBERTY TWP, ADAMS County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2007

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

Employer Paid Benefits and Withholding Items							
487.00	Other Group Insurance Benefits						
<b>Total Employer Paid Benefits and Withholding Items</b>		47,337					47,337

Insurance							
486.00	Insurance, Casualty, and Surety	12,204					12,204
<b>Total Insurance</b>		12,204					12,204

Unclassified Operating Expenditures							
488.00	Fiduciary Fund Benefits and Refunds Paid						
489.00	All Other Unclassified Expenditures		15	60			75
<b>Total Unclassified Operating Expenditures</b>			15	60			75

Other Financing Uses							
491.00	Refund of Prior Year Revenues	18					18
492.00	Interfund Operating Transfers	67,794	600	21,000			89,394
493.00	All Other Financing Uses						
<b>Total Other Financing Uses</b>		67,812	600	21,000			89,412

<b>TOTAL EXPENDITURES</b>		442,234	44,538	21,060			507,832
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>		-32,815	4,892	67,859			23,821	63,757
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**LIBERTY TWP**  
**December 31, 2007**

**DEBT STATEMENT**

**OUTSTANDING BONDS AND NOTES**

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>General Obligation Bonds and Notes</b>											
Long-term	Note	2005	2015	200,000	200,000	0	0	0	200,000	0	200,000
Short-term	Note	2006	2007	25,000	25,000	0	25,000	0	0	0	0
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
Truck	Lease Rentals	2004	2007	48,955	12,516	0	12,516	0	0	0	0
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	<b>200,000</b>
<b>Capitalized lease obligations</b>	<b>0</b>
<b>Net debt</b>	<b>200,000</b>

LIBERTY TWP, ADAMS County  
**STATEMENT OF CAPITAL EXPENDITURES**  
 December 31, 2007

Category	Capital Purchases	Capital Construction	Total
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways	11,116	33,152	44,268
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>11,116</b>	<b>33,152</b>	<b>44,268</b>

**EMPLOYEE COMPENSATION**

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

140,334



