

**LIBERTY TOWNSHIP  
GUERNSEY COUNTY**

**AGREED UPON PROCEDURES**

**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

**Wilson, Phillips & Agin, CPA's, Inc.  
1100 Brandywine Blvd. Building G  
Zanesville, Ohio 43701**





65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Board of Trustees  
Liberty Township  
P.O. Box 22  
Kimbolton, Ohio 43749

We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of Liberty Township, Guernsey County, prepared by Wilson, Phillips & Agin, CPA's, Inc., for the period January 1, 2022 through December 31, 2023. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

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 black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

**June 07, 2024**

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**WILSON, PHILLIPS & AGIN, CPA'S, INC.  
1100 BRANDYWINE BLVD. BUILDING G  
ZANESVILLE, OHIO 43701**

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Liberty Township  
Guernsey County  
P.O. Box 22  
Kimbolton, Ohio 43749

We have performed the procedures enumerated below on Liberty Township's (the Township), receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Township. The Township is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2023 and 2022 and certain compliance requirements related to these transaction and balances included in the information provided to us by the Township.

The Board of Trustees and the management of the Township have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Township's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2023 and 2022, and certain compliance requirements related to these transactions and balances. Additionally, the Auditor of State has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

**Cash and Investments**

1. We recalculated the December 31, 2023 and December 31, 2022 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2022 beginning fund balances recorded in the Cash Journal to the December 31, 2021 balances in the documentation in the prior years audited statements. We found no exceptions. We also agreed the January 1, 2023 beginning fund balances recorded in the Cash Journal to the December 31, 2022 balances in the Cash Journal. We found no exceptions.
3. We agreed the 2023 and 2022 Bank Reconciliation (Adjusted Bank Balances) as of December 31, 2023 and 2022 to the total fund cash balances reported in the Cash Journal and the financial statements filed by the Township in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2023 bank account balances with the township's financial institution. We found no exceptions. We also agreed the confirmed balances to the amounts appearing in the December 31, 2023 bank reconciliation without exception.

**Property taxes, Intergovernmental and Other Confirmable Cash receipts**

1. We selected a total of all (2023) and five (2022) receipts from the Statement of Semiannual Apportionment of Taxes, State Distribution Transaction Lists (DTL), and five from the County Auditor's Cross Reference Report for 2023 and a total of five from 2022:
  - a. We compared the amount from the above named reports to the amount recorded in the Receipt Ledger. The amounts agreed.
  - b. We inspected the Receipt Ledger to determine that these receipts were allocated to the proper funds as required by Ohio Rev. Code Sections 5705.05-.06 and 5705.10. We found no exceptions
  - c. We inspected the Receipts Ledger to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Receipt Ledger to determine whether it included two real estate tax receipts for 2023 and 2022. The Receipt Ledger included the proper number of tax receipts for each year. We found no exceptions.

**Debt**

1. From the prior audit documentation, we observed the following debt was outstanding as of December 31, 2021:

	December 31, 2021
G.O. Bonds	\$ 45,500

2. We inquired of management, and inspected the Receipt Ledger and Appropriation Ledger for evidence of debt issued during 2023 or 2022 or debt payment activity during 2023 or 2022. All debt agreed to the summary we used in procedure 3.
3. We obtained a summary of debt activity for 2023 and 2022 and agreed principal and interest payments from the Debt Service Fund payments reported in the Appropriation Ledger. We also compared the date the debt service payments were due to the date the Township made the payments. We found no exceptions.

**Payroll Cash Disbursements**

1. We selected one payroll check for five employees from 2023 and one payroll check for five employees from 2022 from the Payroll Ledger and:
  - a. We compared the hours and pay rate, or salary recorded in the Payroll Ledger to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
  - b. We recomputed gross and net pay and agreed it to the amount recorded in the Payroll Ledger. We found no exceptions.
  - c. We inspected the fund and account code(s) to which the check was posted to determine the posting was allowable based on the employee's duties as documented in the minute record, timesheets or as required by statute. We found no exceptions.
  - d. We confirmed the payment was posted to the proper year. We found no exceptions.

2. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2023 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period of 2023. We observed the following:

<b>Withholding</b>					
<b>(plus employer share</b>					
<b>Where applicable)</b>	<b>Due Date</b>	<b>Date Paid</b>	<b>Amount W/H</b>	<b>Amount</b>	
Federal Income Taxes	January 31, 2024	January 5, 2024	\$ 1,059.44	\$ 1,059.44	
State Income Taxes	January 31, 2024	January 4, 2024	361.02	361.02	
OPERS Retirement	January 30, 2024	January 4, 2024	1,366.06	1,366.06	

3. For the pay periods ending March 14, 2023 and August 9, 2022, we
  - a. Recomputed the allocation of the Fiscal Officer's and Boards' salaries to the General Fund, MVL Tax Fund and Gasoline Tax Fund per the Cash Journal.
  - b. Traced the Fiscal Officer's and Boards' pay for time or services performed to time or activity sheets the Revised Code requires
 We found no exceptions.
4. We compared total gross pay for the fiscal officer and each board member for 2023 and 2022 to the compensation permitted by Ohio Revised Code Sections 507.09 and 505.24, respectively. We found no exceptions.

**Non-payroll Cash Disbursements**

1. From the Appropriation Ledger, we re-footed checks recorded as General Fund disbursements for general government and checks recorded as Public Works in the Road & Bridge Fund for 2023. We found no exceptions.
2. We selected 10 disbursements from the Appropriation Ledger for the year ended December 31, 2023 and 10 from the year ended 2022 and determined whether:
  - a. The disbursements were for a proper public purpose. We found no exceptions.
  - b. The check number, date, payee name and amount recorded on the returned, canceled check agreed to the check number, date, payee name and amount recorded in the Appropriation Ledger and to the names and amounts on the supporting invoices. We found no exceptions.
  - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
  - d. The fiscal officer certified disbursements requiring certification or issued a Then and Now Certificate, as required by Ohio Rev. Code Section 5705.41(D). We found five instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code Section 5705.41(D) requires certifying at the time a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

**Compliance-Budgetary**

1. Ohio Revised Code Section 5705.41(B) prohibits expenditures (disbursements plus certified commitments) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code Section 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2023 and 2022 for the General Fund, Gasoline Tax Fund and Fire District Fund. There were no funds for which expenditures exceeded appropriations.

2. We inspected the 2023 and 2022 Receipt Ledger and Appropriation Ledger for evidence of interfund transfers exceeding \$5,000 which Ohio Revised Code Sections 5705.14 - .16 restrict. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner.
3. We inspected the Cash Journal for the years ended December 31, 2023 and 2022 for negative cash fund balances. Ohio Revised Code Section 5701.10(I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. No funds had a negative cash fund balances

### **Sunshine Law Compliance**

1. We obtained and inspected the Township's Public Records Policy to determine the policy was in accordance with ORC Sections 149.43(E)(2) and 149.43(B)(7)(c) and did not limit the number of responses that may be made to a particular person, limit the number of responses during a specified period of time, or establish a fixed period of time before it will respond unless that period is less than eight hours. We found no exceptions.
2. We selected all public records requests from the engagement period and inspected each request to determine the following:
  - a. We inquired with Township management and determined that the Township did not have any completed public records requests during the engagement period.
3. We inquired whether the Township has a records retention policy, and observed that it is readily available to the public as required by ORC Section 149.43(B)(2). We found no exceptions.
4. We inspected written evidence that the Public Records Policy was provided to the records custodian/ manager as required by ORC Section 149.43(E)(2). We found no exceptions.
5. We inspected the Township's policy manual and determined the public records policy was included as required by ORC Section 149.43(E)(2). We found no exceptions.
6. We observed the Township's poster describing their Public Records Policy was displayed conspicuously in all branches of the Township as required by ORC Section 149.43(E)(2). We found no exceptions.
7. We inquired with the Township's management and determined that the Township did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inspected individual training certificates and determined whether each elected official in accordance with ORC Section 149.32(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office. We found no exceptions.
9. We inspected the public notices for the public meetings held during the engagement period and determined the Township notified the general public and news media of when and where meetings during the engagement period are to be held as required by ORC Section 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with ORC Section 121.22(C) and determined whether they were:
  - a. Prepared – a file is created following the date of the meeting
  - b. Filed – placed with similar documents in an organized manner
  - c. Maintained – retained, at a minimum, for the engagement period
  - d. Open to public inspections – available for public viewing or request.We found no exceptions.



11. We inspected the minutes from the engagement period in accordance with ORC Section 121.22(G) and determined the following:
  - a. Executive sessions were only held at regular or special meetings.
  - b. The purpose for the meetings and going into an executive session (where applicable) correlated with one of the matters listed in Ohio Rev. Code Section 121.22(G).
  - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

### **Other Compliance**

1. Ohio Revised Code Section 117.38 requires townships to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. We confirmed the Township filed their complete financial statements, as defined by AOS Bulletin 2015-007 and Auditor of State established policy within the allotted timeframe for years ended December 31, 2022 and 2021 in the Hinkle system. We found no exceptions.
2. The Township provided out-of-pocket insurance reimbursements in lieu of providing coverage to all employees:
  - We inspected the resolution authoring reimbursements and determined it met the following documentation requirements for Ohio Revised Code Section 505.601.
    - The Township has not chosen to procure a health plan.
    - The Township has chosen to reimburse its officers and employees for each out-of-pocket premium,
    - It provides for maximum uniform monthly or yearly payment amount for each officer and employee, and,
    - It lists only the specific benefits allowed under ORC Section 505.60A that will be reimbursed.

We found no exceptions.

We were engaged by the Township to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Township's receipts, disbursements, balances and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Township and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

***Wilson, Phillips & Agin, CPA's, Inc.***  
Zanesville, Ohio  
May 9, 2024

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# OHIO AUDITOR OF STATE KEITH FABER



**LIBERTY TOWNSHIP**

**GUERNSEY COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 6/20/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)