

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

FINANCIAL STATEMENTS EXAMINATION REPORT  
OF  
REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
JASPER COUNTY, INDIANA  
January 1, 2010 to December 31, 2011



**FILED**  
04/16/2015



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis.....	6-7
Notes to Financial Statements .....	8-11
Supplementary Information - Unaudited:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	14-15
Schedule of Payables and Receivables .....	16
Schedule of Capital Assets.....	17
Examination Results and Comments:	
Official Bond .....	18
Annual Financial Report .....	18
Exit Conference.....	19

#### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Elizabeth Waibel	01-01-10 to 12-31-12
Treasurer	Ivan Reel	01-01-10 to 12-31-10
	Diane Smith	01-01-11 to 03-06-12
	Wilma Clark	03-07-12 to 12-31-12
President of the Board	Louise Knochel	01-01-10 to 12-31-12



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE REMINGTON-CARPENTER TOWNSHIP  
PUBLIC LIBRARY, JASPER COUNTY, INDIANA

We have examined the accompanying financial statements of the Remington-Carpenter Township Public Library (Library), for the period of January 1, 2010 to December 31, 2011. The financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on the financial statements 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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, although not reasonably determinable, are presumed to be material. The basis noted above is a different basis than that used in the prior period.

In our opinion, because of the matter discussed in the preceding paragraph, 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 and results of operations of the Library for the period of January 1, 2010 to December 31, 2011.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Library for the period of January 1, 2010 to December 31, 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Library's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

July 19, 2012

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## FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Library.  
The financial statements and notes are presented as intended by the Library.

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
General Operating	\$ 116,518	\$ 124,383	\$ 120,629	\$ 120,272
Education Of America	2,850	1,740	2,295	2,295
Gift	4,642	4,997	7,308	2,331
Rainy Day	13,239	11,312	-	24,551
Levy Excess	6,520	3,536	-	10,056
Culp Money Market	12,417	21	3,224	9,214
Roy And Fern Tobias Center	13,052	3,605	1,600	15,057
Culp CD	120,000	589	-	120,589
Totals	<u>\$ 289,238</u>	<u>\$ 150,183</u>	<u>\$ 135,056</u>	<u>\$ 304,365</u>

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

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
General Operating	\$ 120,272	\$ 127,748	\$ 121,104	\$ 126,916
Rainy Day	24,551	-	-	24,551
Levy Excess	10,056	-	284	9,772
Education Of America	2,295	1,565	1,890	1,970
Gift	2,331	8,895	8,878	2,348
Culp Money Market	9,214	1,663	6,828	4,049
Roy And Fern Tobias Center	15,057	5,105	431	19,731
Culp CD	<u>120,589</u>	<u>-</u>	<u>-</u>	<u>120,589</u>
Totals	<u>\$ 304,365</u>	<u>\$ 144,976</u>	<u>\$ 139,415</u>	<u>\$ 309,926</u>

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

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The Library was established under the laws of the State of Indiana. The Library operates under an appointed governing board and provides culture services.

The accompanying financial statements present the financial information for the Library.

*B. Basis of Accounting*

The financial statements are reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Library.

Licenses and permits which include amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state,

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: copies of public records, copy machine charges and fines and fees.

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

The Library may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

*G. Fund Accounting*

Separate funds are established, maintained, and reported by the Library. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Library. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

account for assets held by the Library in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Library submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Library in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize the Library 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 5. Risk Management**

The Library may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Library to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 6. Pension Plan**

*Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the Library authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

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## SUPPLEMENTARY INFORMATION - UNAUDITED

For additional financial information, the Library's Annual Reports for years prior to 2011 can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

For additional financial information, the Library's Annual Report information for years 2011 and later can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Library which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Library. It is presented as intended by the Library.

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2010

	General Operating	Education Of America	Gift	Rainy Day	Levy Excess	Culp Money Market	Roy And Fern Tobias Center	Culp CD	Totals
Cash and investments - beginning	\$ 116,518	\$ 2,850	\$ 4,642	\$ 13,239	\$ 6,520	\$ 12,417	\$ 13,052	\$ 120,000	\$ 289,238
Receipts:									
Taxes	94,936	-	-	-	3,536	-	-	-	98,472
Licenses and permits	17,273	-	-	-	-	-	-	-	17,273
Intergovernmental	8,853	-	-	-	-	-	-	-	8,853
Charges for services	1,498	-	-	-	-	-	-	-	1,498
Other receipts	1,823	1,740	4,997	11,312	-	21	3,605	589	24,087
Total receipts	124,383	1,740	4,997	11,312	3,536	21	3,605	589	150,183
Disbursements:									
Personal services	80,116	-	-	-	-	-	-	-	80,116
Supplies	3,249	-	-	-	-	-	-	-	3,249
Other services and charges	22,141	-	-	-	-	-	1,600	-	23,741
Capital outlay	15,123	-	-	-	-	-	-	-	15,123
Other disbursements	-	2,295	7,308	-	-	3,224	-	-	12,827
Total disbursements	120,629	2,295	7,308	-	-	3,224	1,600	-	135,056
Excess (deficiency) of receipts over disbursements	3,754	(555)	(2,311)	11,312	3,536	(3,203)	2,005	589	15,127
Cash and investments - ending	\$ 120,272	\$ 2,295	\$ 2,331	\$ 24,551	\$ 10,056	\$ 9,214	\$ 15,057	\$ 120,589	\$ 304,365

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For the Year Ended December 31, 2011

	General Operating	Rainy Day	Levy Excess	Education Of America	Gift	Culp Money Market	Roy And Fern Tobias Center	Culp CD	Totals
Cash and investments - beginning	\$ 120,272	\$ 24,551	\$ 10,056	\$ 2,295	\$ 2,331	\$ 9,214	\$ 15,057	\$ 120,589	\$ 304,365
Receipts:									
Taxes	96,571	-	-	-	-	-	-	-	96,571
Intergovernmental	28,292	-	-	-	-	-	-	-	28,292
Charges for services	1,567	-	-	-	-	-	-	-	1,567
Other receipts	1,318	-	-	1,565	8,895	1,663	5,105	-	18,546
Total receipts	<u>127,748</u>	<u>-</u>	<u>-</u>	<u>1,565</u>	<u>8,895</u>	<u>1,663</u>	<u>5,105</u>	<u>-</u>	<u>144,976</u>
Disbursements:									
Personal services	80,633	-	-	-	-	-	-	-	80,633
Supplies	3,846	-	-	-	2,000	-	-	-	5,846
Other services and charges	23,637	-	-	-	-	-	431	-	24,068
Capital outlay	12,988	-	-	-	6,878	1,828	-	-	21,694
Other disbursements	-	-	284	1,890	-	5,000	-	-	7,174
Total disbursements	<u>121,104</u>	<u>-</u>	<u>284</u>	<u>1,890</u>	<u>8,878</u>	<u>6,828</u>	<u>431</u>	<u>-</u>	<u>139,415</u>
Excess (deficiency) of receipts over disbursements	<u>6,644</u>	<u>-</u>	<u>(284)</u>	<u>(325)</u>	<u>17</u>	<u>(5,165)</u>	<u>4,674</u>	<u>-</u>	<u>5,561</u>
Cash and investments - ending	<u>\$ 126,916</u>	<u>\$ 24,551</u>	<u>\$ 9,772</u>	<u>\$ 1,970</u>	<u>\$ 2,348</u>	<u>\$ 4,049</u>	<u>\$ 19,731</u>	<u>\$ 120,589</u>	<u>\$ 309,926</u>

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
SCHEDULE OF PAYABLES AND RECEIVABLES  
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 3,753</u>	<u>\$ -</u>

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 18,000
Buildings	800,000
Improvements other than buildings	12,000
Machinery, equipment, and vehicles	99,000
Books and other	32,657
Total governmental activities	961,657
Total capital assets	\$ 961,657

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

**OFFICIAL BOND**

The Treasurer's Surety Bond for the period January 1, 2011 through March 6, 2012, was not filed in the Office of the County Recorder.

Indiana Code 36-12-2-22(g) states in part:

"The treasurer shall give a surety bond for the faithful performance of the treasurer's duty and for the accurate accounting of all money coming into the treasurer's custody. The bond must be: . . .

7. deposited in the office of the recorder of the county in which the library district is located."

**ANNUAL FINANCIAL REPORT**

The Annual Financial Report for 2010 was presented for examination, but was incorrect and did not agree to the Library records.

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7."

REMINGTON-CARPENTER TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 19, 2012, with Wilma Clark, Treasurer; Elizabeth Wiebal, Director; and Agnes Dombrowski, Assistant Treasurer.