

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF

NORTH WEBSTER-TIPPECANOE TOWNSHIP  
LIBRARY SERVICES AUTHORITY/  
NORTH WEBSTER COMMUNITY PUBLIC LIBRARY  
KOSCIUSKO COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
09/12/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Helen K. Leinbach	01-01-04 to 12-31-06
Treasurer	Teresa Frey	01-01-04 to 12-31-06
President of the Board	Brenda Rigdon Dana Krull	01-01-04 to 12-31-05 01-01-06 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NORTH WEBSTER-TIPPECANOE TOWNSHIP LIBRARY SERVICES  
AUTHORITY/NORTH WEBSTER COMMUNITY PUBLIC LIBRARY, KOSCIUSKO COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the North Webster-Tippecanoe Township Library Services Authority/North Webster Community Public Library (Library), for the period of January 1, 2004 to December 31, 2005. The Library's management is responsible for the schedules. Our responsibility is to express an opinion 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 schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 18, 2006

NORTH WEBSTER-TIPPECANOE TOWNSHIP LIBRARY SERVICES AUTHORITY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Period January 1, 2004 to October 19, 2004

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 10-19-04
Governmental Funds:				
General	\$ 9,496	\$ 22,210	\$ 31,740	\$ (34)
Gift	73,568	250,415	162,339	161,644
Totals	<u>\$ 83,064</u>	<u>\$ 272,625</u>	<u>\$ 194,079</u>	<u>\$ 161,610</u>

NORTH WEBSTER COMMUNITY PUBLIC LIBRARY  
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Period October 20, 2004 to December 31, 2005

	Cash and Investments 10-20-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ (34)	\$ 9,399	\$ 13,038	\$ (3,673)
Gift	161,644	11,636	7,832	165,448
Gift-Kosciusko County Community Foundation	-	16,196	37	16,159
Totals	<u>\$ 161,610</u>	<u>\$ 37,231</u>	<u>\$ 20,907</u>	<u>\$ 177,934</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ (3,673)	\$ 52,897	\$ 41,364	\$ 7,860
Gift	165,448	118,724	157,233	126,939
Gift-Kosciusko County Community Foundation	16,159	43,518	579	59,098
Totals	<u>\$ 177,934</u>	<u>\$ 215,139</u>	<u>\$ 199,176</u>	<u>\$ 193,897</u>

The accompanying notes are an integral part of the schedules.

NORTH WEBSTER-TIPPECANOE TOWNSHIP LIBRARY SERVICES AUTHORITY/  
NORTH WEBSTER COMMUNITY PUBLIC LIBRARY  
NOTES TO SCHEDULES

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget for the years 2004 and 2005 was prepared and approved at the local level only, since the library had no direct tax levied funds of its own for those years. In addition, for the year 2006, which was the first year the library had a direct tax levied fund, the budget was also subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were 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 statute (IC 5-13-9) authorizes 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. Name Change of Library

The Library Board of Trustees, effective October 20, 2004, approved changing the library entity type from a library district to a public library. The name was officially changed from the North Webster-Tippecanoe Township Library Services Authority to the North Webster Community Public Library.

NORTH WEBSTER-TIPPECANOE TOWNSHIP LIBRARY SERVICES AUTHORITY/  
NORTH WEBSTER COMMUNITY PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

PRESCRIBED FORMS

The following prescribed or approved forms were not in use or not properly maintained:

Not in Use:

General Receipt No. 352  
General Receipt Register No. 370

Not Properly Maintained:

Ledger of Appropriations, Encumbrances, Disbursements and Balances, General Receipt No. 359

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

OVERDRAWN CASH BALANCE

The cash balance of the Operating Fund was overdrawn \$3,673, as of December 31, 2004.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

NORTH WEBSTER-TIPPECANOE TOWNSHIP LIBRARY SERVICES AUTHORITY/  
NORTH WEBSTER COMMUNITY PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 18, 2006, with Teresa Frey, Treasurer; Helen R. Leinbach, Director; and Kristi Rhodes, Bookkeeper. The officials concurred with our findings.