

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

EXAMINATION REPORT  
OF  
WASHINGTON CARNEGIE PUBLIC LIBRARY  
DAVISS COUNTY, INDIANA  
January 1, 2004 to December 31, 2005



**FILED**  
12/19/2006



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials .....	2
Independent Accountant's Report .....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances .....	4
Notes to Financial Information.....	5-6
Examination Result and Comment:	
Penalties, Interest, and Other Charges .....	7
Exit Conference .....	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Elizabeth A. Dowling	01-01-04 to 12-31-06
Treasurer	Martin Mumaw III Bruce Beesley	01-01-04 to 08-31-04 09-01-04 to 12-31-06
President of the Board	Florence Cavanaugh Martin Mumaw III	01-01-04 to 08-31-04 09-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WASHINGTON CARNEGIE PUBLIC LIBRARY, DAVIESS COUNTY, INDIANA

We have examined the financial information presented herein of the Washington Carnegie Public Library (Library), for the period of January 1, 2004 to December 31, 2005. The Library's management is responsible for the financial information presented herein. 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 financial information presented herein 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 financial information referred to above present fairly, in all material respects, the financial information 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

October 23, 2006

WASHINGTON CARNEGIE PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 158,377	\$ 438,669	\$ 403,505	\$ 193,541
Gift	21,920	3,761	7,835	17,846
Community Foundation Grant	3,666	-	193	3,473
LSTA Grant	-	-	9,543	(9,543)
CAGIT	118,138	1,407	-	119,545
Bond and Interest Redemption	62,222	354,692	298,500	118,414
Library Improvement Reserve	167,439	-	-	167,439
Construction	49,215	605	-	49,820
Fiduciary Funds:				
Payroll Withholdings	1,637	48,349	49,112	874
PLAC	-	52	52	-
Totals	<u>\$ 582,614</u>	<u>\$ 847,535</u>	<u>\$ 768,740</u>	<u>\$ 661,409</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 193,541	\$ 346,256	\$ 418,618	\$ 121,179
Gift	17,846	2,947	7,316	13,477
Community Foundation Grant	3,473	-	-	3,473
LSTA Grant	(9,543)	9,543	-	-
CAGIT	119,545	1,532	-	121,077
Levy Excess	-	7,387	-	7,387
Bond and Interest Redemption	118,414	302,446	303,928	116,932
Library Improvement Reserve	167,439	-	10,001	157,438
Construction	49,820	1,455	21,646	29,629
Fiduciary Funds:				
Payroll Withholdings	874	52,840	51,799	1,915
PLAC	-	84	56	28
Totals	<u>\$ 661,409</u>	<u>\$ 724,490</u>	<u>\$ 813,364</u>	<u>\$ 572,535</u>

The accompanying notes are an integral part of the schedules.

WASHINGTON CARNEGIE PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: culture and recreation.

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 is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. 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% 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 become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. 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.

WASHINGTON CARNEGIE PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Library contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent 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 PERF 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% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF 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:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

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

Note 7. Long-Term Debt

The Library has entered into a capital lease for a library building and equipment. The outstanding principal at December 31, 2005, was \$1,570,000.

WASHINGTON CARNEGIE PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

PENALTIES, INTEREST AND OTHER CHARGES

Penalties and interest totaling \$116.94 were paid to the Indiana Department of Revenue on July 14, 2004, for the period of April 2003.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

WASHINGTON CARNEGIE PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on October 23, 2006, with Elizabeth A. Dowling, Director; Bruce Beesley, Treasurer; and Martin Mumaw III, President of the Board. The officials concurred with our finding.