

B29452

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

EXAMINATION REPORT
OF
CROWN POINT COMMUNITY LIBRARY
LAKE COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
02/08/2007

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
Required Supplementary Information:	
Schedule of Funding Progress	7
Exit Conference	8

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Lynn M. Frank	01-01-05 to 12-31-07
Treasurer	Susan E. Vieweg Timothy E. Fealy	01-01-05 to 12-31-06 01-01-07 to 12-31-07
President of the Board	James C. Conlon Sally S. Nalbor	01-01-05 to 12-31-06 01-01-07 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY LIBRARY, LAKE COUNTY, INDIANA

We have examined the financial information presented herein of the Crown Point Community Library (Library), for the period of January 1, 2005 to December 31, 2006. 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 presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Funding Progress listed in the Table of Contents is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

January 17, 2007

CROWN POINT COMMUNITY 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, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 426,541	\$ 2,460,371	\$ 2,219,006	\$ 667,906
Gift	98,890	16,680	12,459	103,111
Library Improvement Reserve	137,340	220,506	120,000	237,846
Library Capital Projects	197,758	169,137	50,074	316,821
Fiduciary Funds:				
Payroll Withholdings	-	917,873	917,873	-
PLAC	-	252	252	-
Totals	<u>\$ 860,529</u>	<u>\$ 3,784,819</u>	<u>\$ 3,319,664</u>	<u>\$ 1,325,684</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 667,906	\$ 3,115,176	\$ 2,985,792	\$ 797,290
Gift	103,111	18,714	8,644	113,181
Grant	-	5,000	-	5,000
Library Improvement Reserve	237,846	550,421	648,000	140,267
Library Capital Projects	316,821	1,904,873	1,811,986	409,708
Fiduciary Funds:				
Payroll Withholdings	-	964,078	964,078	-
PLAC	-	341	341	-
Totals	<u>\$ 1,325,684</u>	<u>\$ 6,558,603</u>	<u>\$ 6,418,841</u>	<u>\$ 1,465,446</u>

The accompanying notes are an integral part of the schedules.

CROWN POINT COMMUNITY LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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

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.

CROWN POINT COMMUNITY 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.

CROWN POINT COMMUNITY LIBRARY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess Of Assets Over AAL	Funded Ratio (a/b)	Covered Payroll (c)	Excess AAL As A % Of Covered Payroll ((a-b)/c)
07-01-03	\$ 460,110	\$ 331,906	\$ 128,204	139%	\$ 345,785	37%
07-01-04	463,697	326,506	137,191	142%	358,366	38%
07-01-05	478,544	419,521	59,023	114%	372,481	16%

CROWN POINT COMMUNITY LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on January 17, 2007, with Lynn M. Frank, Director; Susan E. Vieweg, former Treasurer; and Katherine M. Lodovisi, Business Manager. Our examination disclosed no material items that warrant comment at this time.