

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

EXAMINATION REPORT  
OF

NEW DURHAM TOWNSHIP –  
WESTVILLE PUBLIC LIBRARY  
LAPORTE COUNTY, INDIANA

January 1, 2005 to December 31, 2006



**FILED**  
02/08/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Sara Johnson	01-01-05 to 12-31-07
Treasurer	Lewis Cass	01-01-05 to 12-31-07
President of the Board	Victoria Wienhoft Cheryl Warnock	01-01-05 to 12-31-05 01-01-06 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NEW DURHAM TOWNSHIP –  
WESTVILLE PUBLIC LIBRARY, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of the New Durham Township - Westville Public 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 Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not a required part of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

January 24, 2007

NEW DURHAM TOWNSHIP - WESTVILLE PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
GOVERNMENTAL FUNDS  
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	\$ 64,444	\$ 87,979	\$ 89,388	\$ 63,035
Gift	4,271	1,428	626	5,072
Bond and Interest Redemption	65,679	58,052	64,317	59,414
Library Improvement Reserve	53,981	5,274	-	59,255
Levy Excess	-	4,663	-	4,663
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 188,375</u>	<u>\$ 157,397</u>	<u>\$ 154,331</u>	<u>\$ 191,440</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 63,035	\$ 92,901	\$ 96,969	\$ 58,967
Gift	5,072	1,269	1,100	5,241
Rainy Day	-	3,000	-	3,000
Internet Grant	-	240	40	200
Bond and Interest Redemption	59,414	64,725	59,524	64,615
Library Improvement Reserve	59,255	2,387	-	61,643
Levy Excess	4,663	331	4,663	331
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$ 191,440</u>	<u>\$ 164,852</u>	<u>\$ 162,296</u>	<u>\$ 193,997</u>

The accompanying notes are an integral part of the schedules.

NEW DURHAM TOWNSHIP - WESTVILLE 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 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 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.

NEW DURHAM TOWNSHIP - WESTVILLE PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2006

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 22,035
Buildings	609,076
Improvements other than buildings	8,512
Machinery and equipment	<u>343,115</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 982,738</u>

NEW DURHAM TOWNSHIP - WESTVILLE PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
1996 Improvements to Library	\$ <u>63,000</u>	\$ <u>63,000</u>

NEW DURHAM TOWNSHIP - WESTVILLE PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

DESK COLLECTIONS

Desk collections are only being deposited every two weeks at most.

Indiana Code 5-13-6-1 (c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

NEW DURHAM TOWNSHIP - WESTVILLE PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on January 24, 2007, with Cheryl Warnock, President of the Board; Lewis Cass, Treasurer; and Sara Johnson, Director. The officials concurred with our finding.