

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

EXAMINATION REPORT

OF

GARRETT PUBLIC LIBRARY

DEKALB COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

03/12/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Catherine Birdseye	01-01-05 to 12-31-07
Treasurer	Donald Chaffin	01-01-05 to 12-31-07
President of the Board	Richard Daniel Carl Baker	01-01-05 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE GARRETT PUBLIC LIBRARY, DEKALB COUNTY, INDIANA

We have examined the financial information presented herein of the Garrett 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.

STATE BOARD OF ACCOUNTS

March 1, 2007

GARRETT 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, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 142,518	\$ 533,625	\$ 628,964	\$ 47,179
Gift	8,754	31,019	1,240	38,533
Rainy Day	4,301	-	-	4,301
Grant	32,218	23,485	49,915	5,788
Library Improvement Reserve	370,117	445,397	594,974	220,540
Fiduciary Funds:				
Payroll Withholdings	-	51,699	51,693	6
PLAC	52	644	556	140
Totals	<u>\$ 557,960</u>	<u>\$ 1,085,869</u>	<u>\$ 1,327,342</u>	<u>\$ 316,487</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 47,179	\$ 643,622	\$ 679,998	\$ 10,803
Gift	38,533	17,223	32,070	23,686
Rainy Day	4,301	-	-	4,301
Levy Excess	-	3,735	3,735	-
Grant	5,788	17,150	18,188	4,750
Library Improvement Reserve	220,540	624,434	578,080	266,894
Library Capital Projects	-	36,454	33,955	2,499
Fiduciary Funds:				
Payroll Withholdings	6	58,424	58,418	12
PLAC	140	434	543	31
Totals	<u>\$ 316,487</u>	<u>\$ 1,401,476</u>	<u>\$ 1,404,987</u>	<u>\$ 312,976</u>

The accompanying notes are an integral part of the schedules.

GARRETT PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides cultural 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.

GARRETT 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.

GARRETT PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on March 1, 2007, with Catherine Birdseye, Director; and Carl Baker, President of the Board. Our examination disclosed no material items that warrant comment at this time.