

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

EXAMINATION REPORT

OF

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY

MONTGOMERY COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED

03/28/2007

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
Supplementary Information: Schedule of Long-Term Debt.....	7
Examination Result and Comment: Capital Asset Records	8
Exit Conference	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Laurence Hathaway	01-01-05 to 12-31-07
Treasurer	John Culley	06-30-04 to 06-30-07
President of the Board	Robert Burgess	06-30-04 to 06-30-07



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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 CRAWFORDSVILLE DISTRICT
PUBLIC LIBRARY, MONTGOMERY COUNTY, INDIANA

We have examined the financial information presented herein of the Crawfordsville District 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 Long-Term Debt, as 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

March 6, 2007

CRAWFORDSVILLE DISTRICT 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	\$ 391,144	\$ 1,524,208	\$ 1,726,720	\$ 188,632
Gift	140,652	69,797	27,482	182,967
Other Funds	31,864	15,792	12,328	35,328
Levy Excess	1,807	-	-	1,807
Debt Service - Lease	-	460,696	234,128	226,568
Library Improvement Reserve	1,077,737	123,719	201,122	1,000,334
Construction	764,009	207,248	457,206	514,051
Fiduciary Funds:				
Payroll Withholdings	5,863	165,193	165,001	6,055
PLAC	26	84	110	-
Totals	<u>\$ 2,413,102</u>	<u>\$ 2,566,737</u>	<u>\$ 2,824,097</u>	<u>\$ 2,155,742</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 188,632	\$ 2,313,769	\$ 2,206,830	\$ 295,571
Gift	182,967	13,249	25,258	170,958
Other Funds	35,328	20,931	5,039	51,220
Levy Excess	1,807	-	-	1,807
Debt Service - Lease	226,568	1,245,638	867,950	604,256
Library Improvement Reserve	1,000,334	67,247	25,000	1,042,581
Construction	514,051	327,527	651,010	190,568
Fiduciary Funds:				
Payroll Withholdings	6,055	160,305	159,540	6,820
PLAC	-	31	31	-
Totals	<u>\$ 2,155,742</u>	<u>\$ 4,148,697</u>	<u>\$ 3,940,658</u>	<u>\$ 2,363,781</u>

The accompanying notes are an integral part of the schedules.

CRAWFORDSVILLE DISTRICT 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.

CRAWFORDSVILLE DISTRICT 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.

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

CAPITAL LEASES

The Library has entered into the following capital leases:

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Capital leases:		
Library Building	\$ 11,295,000	\$ 215,000

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The Library did not present capital asset records for review.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CRAWFORDSVILLE DISTRICT PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on March 6, 2007, with John Culley, Treasurer; Robert Burgess, President of the Board; and Laurence Hathaway, Director. The officials concurred with our finding.