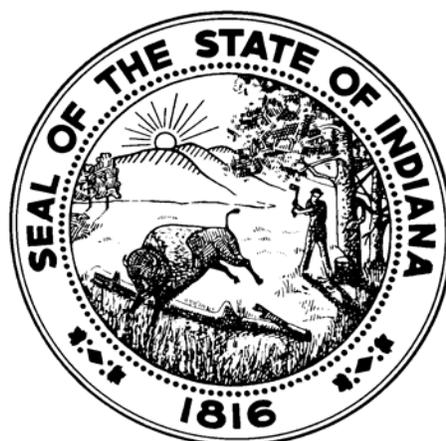


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
ATTICA PUBLIC LIBRARY
FOUNTAIN COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
03/28/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Norma Fink	01-01-05 to 12-31-07
Treasurer	William D. Hollander	01-01-05 to 12-31-07
President of the Board	Carol DeSutter Tom Norush	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 ATTICA PUBLIC LIBRARY, FOUNTAIN COUNTY, INDIANA

We have examined the financial information presented herein of the Attica 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

February 21, 2007

ATTICA 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	\$ 37,161	\$ 165,457	\$ 179,467	\$ 23,151
Gift	6,339	8,603	8,456	6,486
Rainy Day	46	-	-	46
Lost Books	146	415	416	145
Levy Excess	-	779	-	779
Bond and Interest Redemption	3,594	98,183	101,409	368
Library Improvement Reserve	45,477	34,760	42,475	37,762
Library Capital Projects	6,840	16,474	12,291	11,023
Fiduciary Fund:				
Payroll Withholdings	-	16,657	16,654	3
Totals	<u>\$ 99,603</u>	<u>\$ 341,328</u>	<u>\$ 361,168</u>	<u>\$ 79,763</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 23,151	\$ 178,775	\$ 176,050	\$ 25,876
Gift	6,486	51,673	13,256	44,903
Rainy Day	46	-	-	46
Lost Books	145	361	307	199
Levy Excess	779	-	778	1
Bond and Interest Redemption	368	146,049	97,000	49,417
Library Improvement Reserve	37,762	25,143	24,000	38,905
Library Capital Projects	11,023	15,389	18,067	8,345
Fiduciary Fund:				
Payroll Withholdings	3	16,108	16,077	34
Totals	<u>\$ 79,763</u>	<u>\$ 433,498</u>	<u>\$ 345,535</u>	<u>\$ 167,726</u>

The accompanying notes are an integral part of the schedules.

ATTICA 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.

Note 6. Long-Term Debt

The Library has entered into debt such as a capital lease for a building addition. The outstanding principal at December 31, 2006, was \$672,394.

ATTICA PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on February 21, 2007, with Norma Fink, Director; and William D. Hollander, Treasurer. Our examination disclosed no material items that warrant comment at this time.