

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

EXAMINATION REPORT

OF

VAN BUREN PUBLIC LIBRARY

GRANT COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED
12/28/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Stephanie Beck	01-01-05 to 12-31-07
Treasurer	Nancy Cook	07-01-04 to 06-30-08
President of the Board	Larry Beouy	07-01-04 to 06-30-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE VAN BUREN PUBLIC LIBRARY, GRANT COUNTY, INDIANA

We have examined the financial information presented herein of the Van Buren 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, 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

November 13, 2007

VAN BUREN 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:				
Operating	\$ 14,291	\$ 140,174	\$ 105,820	\$ 48,645
Gift	595	510	485	620
Library Improvement Reserve	30,448	378	1,467	29,359
Library Capital Projects	3,806	11,740	13,272	2,274
Fiduciary Funds:				
Payroll Withholdings	-	11,168	11,168	-
PLAC	-	84	84	-
Totals	<u>\$ 49,140</u>	<u>\$ 164,054</u>	<u>\$ 132,296</u>	<u>\$ 80,898</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
Operating	\$ 48,645	\$ 100,902	\$ 103,827	\$ 45,720
Gift	620	325	453	492
State Funds for Internet	-	3,600	1,500	2,100
Library Improvement Reserve	29,359	217	728	28,848
Library Capital Projects	2,274	7,417	4,249	5,442
Fiduciary Funds:				
Payroll Withholdings	-	9,940	9,940	-
PLAC	-	214	214	-
Totals	<u>\$ 80,898</u>	<u>\$ 122,615</u>	<u>\$ 120,911</u>	<u>\$ 82,602</u>

The accompanying notes are an integral part of the financial information.

VAN BUREN PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

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

VAN BUREN PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS

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	\$ 11,500
Buildings	10,000
Improvements other than buildings	3,025
Machinery and equipment	<u>53,868</u>
 Total governmental activities, capital assets not being depreciated	 \$ <u><u>78,393</u></u>

VAN BUREN PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

LOANS BETWEEN LIBRARY FUNDS

Temporary loans of \$15,000 and \$6,227 were made in 2003 from the Library Improvement Reserve Fund to the Operating Fund and Library Capital Projects Fund, respectively. A temporary loan of \$20,000 was made in 2004 from the Library Improvement Reserve Fund to the Operating Fund. None of these loans have been repaid as of September 30, 2007.

Indiana Code 36-1-8-4 concerning temporary loans, states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . .

(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

- (1) Passes an ordinance or a resolution that contains the following:
 - (A) A statement that the fiscal body has determined that an emergency exists.
 - (B) A brief description of the grounds for the emergency.
 - (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.
- (2) Immediately forwards the ordinance or resolution to the state board of accounts and department of local government finance."

APPROPRIATIONS

The Library Capital Projects fund expenditures were \$4,091 in excess of budgeted appropriations for 2005.

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

VAN BUREN PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 13, 2007, with Stephanie Beck, Director; and Larry Beouy, President of the Board. The officials concurred with our findings.