

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

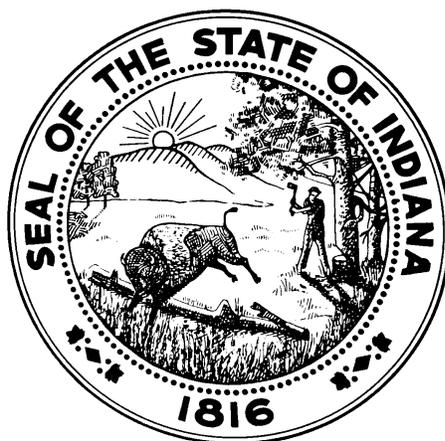
EXAMINATION REPORT

OF

OHIO TOWNSHIP PUBLIC LIBRARY

WARRICK COUNTY, INDIANA

January 1, 2005 to December 31, 2006



**FILED**  
12/31/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Stephen Thomas	01-01-05 to 12-31-07
Treasurer	Evangeline Herr	01-01-05 to 12-31-07
President of the Board	Gene Essick Sherry Taber	01-01-05 to 12-31-06 01-01-06 to 12-31-07



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE OHIO TOWNSHIP PUBLIC LIBRARY, WARRICK COUNTY, INDIANA

We have examined the financial information presented herein of the Ohio Township 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

December 6, 2007

OHIO TOWNSHIP 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	\$ 24,068	\$ 2,005,544	\$ 1,722,625	\$ 306,987
Gifts and Bequests	64,964	19,966	19,685	65,245
Rainy Day	15,000	5,000	-	20,000
Levy Excess	66,562	21,857	66,562	21,857
Bond and Interest Redemption	70,848	198,743	180,242	89,349
Library Improvement Reserve	3,394	-	-	3,394
Library Capital Projects	3	297,284	266,359	30,928
Construction	725,000	466,615	1,058,919	132,696
Lease Rental	-	530,088	76,216	453,872
Fiduciary Fund:				
PLAC	78	420	442	56
Totals	<u>\$ 969,917</u>	<u>\$ 3,545,517</u>	<u>\$ 3,391,050</u>	<u>\$ 1,124,384</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 306,987	\$ 1,828,643	\$ 1,895,825	\$ 239,805
Gift	65,245	16,454	11,982	69,717
Rainy Day	20,000	10,603	2,350	28,253
Levy Excess	21,857	7,165	21,634	7,388
Bond and Interest Redemption	89,349	167,463	170,044	86,768
Library Improvement Reserve	3,394	-	-	3,394
Library Capital Projects	30,928	171,921	65,678	137,171
Construction	132,696	130,446	171,674	91,468
Lease Rental	453,872	1,436,203	1,289,159	600,916
Indiana Energy Defense Grant	-	23,800	23,800	-
State Tech Grant	-	8,467	2,250	6,217
Fiduciary Fund:				
PLAC	56	496	428	124
Totals	<u>\$ 1,124,384</u>	<u>\$ 3,801,661</u>	<u>\$ 3,654,824</u>	<u>\$ 1,271,221</u>

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

OHIO TOWNSHIP 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 or highway use taxes are received 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.

OHIO TOWNSHIP 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.

Note 7. Long-Term Debt

The Library has entered into bonds for the purchase of land and a capital lease for the construction of a library building. The outstanding principal at December 31, 2006, was \$80,000 and \$13,169,000, respectively.

Note 8. Holding Corporation

The Library has entered into a capital lease with the Ohio Township Public Library Leasing Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of constructing and equipping facilities for lease to the government. Lease payments during the years 2005 and 2006 totaled \$0 and \$906,000, respectively.

OHIO TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2006

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Library building - Central Branch	\$ 13,169,000	\$ 835,000
Bonds payable:		
General obligation bonds:		
Purchase of land	<u>80,000</u>	<u>81,700</u>
Total governmental activities debt	<u>\$ 13,249,000</u>	<u>\$ 916,700</u>

OHIO TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on December 6, 2007, with Stephen Thomas, Director; and Colette McNeely, Administrative Assistant. Our examination disclosed no material items that warrant comment at this time.