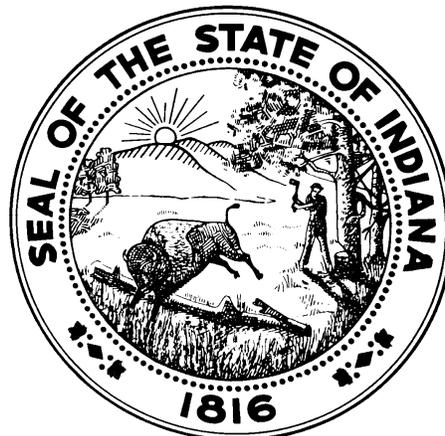


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF

YORKTOWN - MT. PLEASANT  
TOWNSHIP COMMUNITY LIBRARY  
DELAWARE COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
08/21/2008



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 Capital Assets.....	7
Examination Results and Comments:	
Deposits.....	8
Bank Account Reconciliations .....	8
Payroll Fund Balance .....	8
Overpayment of Tax Liability .....	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Elizabeth Rozelle	01-01-06 to 12-31-08
Treasurer	Della Gregory	01-01-06 to 12-31-08
President of the Board	Christina Ems Beverly LaVelle	01-01-06 to 12-31-06 01-01-07 to 12-31-08



**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](http://www.in.gov/sboa)

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF YORKTOWN - MT. PLEASANT TOWNSHIP  
COMMUNITY LIBRARY, DELAWARE COUNTY, INDIANA

We have examined the financial information presented herein of Yorktown - Mt. Pleasant Township Community Library (Library), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, 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

July 14, 2008

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 443,373	\$ 508,968	\$ 394,246	\$ 558,095
Friends	25	-	-	25
Memorial	1,965	-	-	1,965
Rainy Day	7,879	-	-	7,879
Levy Excess	3,028	2,031	3,028	2,031
Library Improvement Reserve	10,605	-	-	10,605
Fiduciary Funds:				
Payroll Withholdings	4,855	176,294	174,579	6,570
PLAC	2,176	1,268	2,789	655
Totals	<u>\$ 473,906</u>	<u>\$ 688,561</u>	<u>\$ 574,642</u>	<u>\$ 587,825</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 558,095	\$ 625,981	\$ 409,708	\$ 774,368
Friends	25	120	-	145
Memorial	1,965	198	-	2,163
Rainy Day	7,879	-	-	7,879
Levy Excess	2,031	-	-	2,031
Library Improvement Reserve	10,605	-	-	10,605
Fiduciary Funds:				
Payroll Withholdings	6,570	183,723	183,594	6,699
PLAC	655	1,140	1,057	738
Totals	<u>\$ 587,825</u>	<u>\$ 811,162</u>	<u>\$ 594,359</u>	<u>\$ 804,628</u>

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

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY 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.

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY 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.

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY LIBRARY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

This unit has no general infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 20,000
Buildings	230,000
Machinery and equipment	<u>501,737</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 751,737</u>

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY LIBRARY  
EXAMINATION RESULTS AND COMMENTS

DEPOSITS

As stated in the prior Report B28571, in numerous instances, desk collections were deposited later than the next business day. Also, we could not determine if desk collections were being deposited in the same form in which they were received, since there were no indications as to the form of payment on the Daily Desk Collection, Form No. 3.

Indiana Code 5-13-6-1 (c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

BANK ACCOUNT RECONCILIATIONS

Depository reconciliations of the fund balances to the bank account balances were not presented for audit or were incorrect.

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

PAYROLL FUND BALANCE

The Payroll Fund balance at December 31, 2007, had not been reconciled to the actual balance of payroll withholdings on hand.

At all times, the manual records and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balances should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

OVERPAYMENT OF TAX LIABILITY

The Library overpaid their tax liability by \$120.82 in the year 2007.

Political subdivisions are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Governmental units should file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

YORKTOWN - MT. PLEASANT TOWNSHIP COMMUNITY LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 14, 2008, with Elizabeth Rozelle, Director; Della Gregory, Treasurer; Beverly LaVelle, President of the Board; and Lisa Lay, Bookkeeper. The officials concurred with our findings.