

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

EXAMINATION REPORT  
OF  
FLORA-MONROE TOWNSHIP PUBLIC LIBRARY  
CARROLL COUNTY, INDIANA  
January 1, 2006 to December 31, 2007



**FILED**  
11/05/2008



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
Schedule of Long-Term Debt .....	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Melissa Bishop	01-01-06 to 12-31-08
Treasurer	Jennifer Spesard	01-01-06 to 12-31-08
President of the Board	Charlene Davis	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE FLORA-MONROE TOWNSHIP  
PUBLIC LIBRARY, CARROLL COUNTY, INDIANA

We have examined the financial information presented herein of the Flora-Monroe Township Public 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 and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

October 2, 2008

FLORA-MONROE 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 11,508	\$ 237,484	\$ 200,649	\$ 48,343
Gift	3,737	3,938	1,617	6,058
Rainy Day	6,049	-	-	6,049
Bond and Interest Redemption	7,500	204,766	145,303	66,963
Library Improvement Reserve	69,561	49,830	31,625	87,766
Coffee Shop	218	564	523	259
Levy Excess	-	387	-	387
Edith Cook Memorial	143	426	540	29
Food Fund	116	8	124	-
Friends of the Library	-	685	325	360
Grant	300	2,422	1,817	905
Maude Ayres	14,123	290	4,379	10,034
Program Room	-	425	375	50
Reading Programs	-	1,809	1,547	262
Richter	11,420	557	-	11,977
State Technology	-	3,600	1,800	1,800
Library Capital Projects	-	-	-	-
Fiduciary Funds:				
Payroll Withholdings	2,760	18,533	18,657	2,636
PLAC	56	273	267	62
Totals	<u>\$ 127,491</u>	<u>\$ 525,997</u>	<u>\$ 409,548</u>	<u>\$ 243,940</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 48,343	\$ 142,895	\$ 190,421	\$ 817
Gift	6,058	7,885	2,325	11,618
Rainy Day	6,049	-	-	6,049
Bond and Interest Redemption	66,963	74,700	133,015	8,648
Library Improvement Reserve	87,766	29,707	24,268	93,205
Coffee Shop	259	762	611	410
Levy Excess	387	-	387	-
Edith Cook Memorial	29	13,710	518	13,221
Food Fund	-	375	338	37
Friends of the Library	360	654	523	491
Grant	905	600	1,505	-
Maude Ayres	10,034	11,294	4,950	16,378
Program Room	50	575	400	225
Reading Programs	262	2,009	2,262	9
Richter	11,977	225	12,202	-
State Technology	1,800	3,600	3,300	2,100
Library Capital Projects	-	7,965	6,935	1,030
Fiduciary Funds:				
Payroll Withholdings	2,636	18,171	18,290	2,517
PLAC	62	120	152	30
Totals	<u>\$ 243,940</u>	<u>\$ 315,247</u>	<u>\$ 402,402</u>	<u>\$ 156,785</u>

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

FLORA-MONROE 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 the following services: health and social 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.

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.

FLORA-MONROE 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.

FLORA-MONROE TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended December 31, 2007

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.

This unit has no general infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,183
Buildings	886,964
Machinery and equipment	<u>274,108</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 1,164,255</u></u>

FLORA-MONROE TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

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 expansion and renovation	\$ 1,167,000	\$ 131,000

FLORA-MONROE TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on October 2, 2008, with Melissa Bishop, Director. Our examination disclosed no material items that warrant comment at this time.