

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

EXAMINATION REPORT
OF
WANATAH PUBLIC LIBRARY
LAPORTE COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

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 |
| Examination Results and Comments: | |
| Official Bonds..... | 6 |
| Overdrawn Fund Balance..... | 6 |
| Capital Asset Records | 6 |
| List of Employees Not Filed With County Treasurer | 6 |
| Exit Conference..... | 7 |

OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|------------------------|-----------------|----------------------|
| Director | Patricia Baum | 01-01-06 to 12-31-08 |
| Treasurer | Terry Condon | 01-01-06 to 12-31-08 |
| President of the Board | Ray Christoph | 01-01-06 to 12-31-08 |



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF WANATAH PUBLIC LIBRARY, LAPORTE COUNTY, INDIANA

We have examined the financial information presented herein of Wanatah 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.

STATE BOARD OF ACCOUNTS

November 17, 2008

WANATAH PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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 | \$ 8,703 | \$ 52,506 | \$ 57,694 | \$ 3,515 |
| Riverboat | 12,845 | 5,000 | 515 | 17,330 |
| Summer Reading | (213) | 620 | 407 | - |
| | <u>21,335</u> | <u>58,126</u> | <u>58,616</u> | <u>20,845</u> |
| Totals | <u>\$ 21,335</u> | <u>\$ 58,126</u> | <u>\$ 58,616</u> | <u>\$ 20,845</u> |

| | Cash and Investments 01-01-07 | Receipts | Disbursements | Cash and Investments 12-31-07 |
|---------------------|-------------------------------------|------------------|------------------|-------------------------------------|
| Governmental Funds: | | | | |
| General | \$ 3,515 | \$ 47,034 | \$ 55,325 | \$ (4,776) |
| Gift | - | 490 | 340 | 150 |
| Riverboat | 17,330 | 5,000 | - | 22,330 |
| | <u>20,845</u> | <u>52,524</u> | <u>55,665</u> | <u>17,704</u> |
| Totals | <u>\$ 20,845</u> | <u>\$ 52,524</u> | <u>\$ 55,665</u> | <u>\$ 17,704</u> |

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

WANATAH 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: public safety, 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 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.

WANATAH PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BONDS

The official bonds for the Library Director and the Treasurer were not filed in the office of the County Recorder for the examination period or for the current year.

Indiana Code 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

OVERDRAWN FUND BALANCE

The General Fund was overdrawn in 2007.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CAPITAL ASSET RECORDS

The Library does not maintain capital asset records.

Every governmental unit should have a complete inventory of all capital assets owned which reflect their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

WANATAH PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 17, 2008, with Patricia Baum, Director. The official concurred with our findings.