

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

EXAMINATION REPORT

OF

SHERIDAN PUBLIC LIBRARY

HAMILTON COUNTY, INDIANA

January 1, 2007 to December 31, 2008



FILED
12/30/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Ann Emery Kim Riley Stephen Martin	01-01-07 to 07-09-07 07-10-07 to 09-13-07 09-14-07 to 12-31-09
Treasurer	Debbie Hybarger	02-01-05 to 12-31-09
President of the Board	Lisa Samuels Tina Rodgers	01-01-06 to 12-31-07 01-01-08 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE SHERIDAN PUBLIC LIBRARY, HAMILTON COUNTY, INDIANA

We have examined the financial information presented herein of the Sheridan Public Library (Library), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, 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

November 2, 2009

SHERIDAN 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, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 36,196	\$ 290,093	\$ 176,999	\$ 149,290
Gift	15,820	22,980	14,528	24,272
State Technology	2,625	4,500	4,875	2,250
ESL LSTA Grant	(105)	1,290	1,185	-
Lease Rental	-	176,239	59,000	117,239
Library Improvement Reserve	4,000	200	-	4,200
Equipment & Building	50,935	1,060	45,234	6,761
Fiduciary Funds:				
Levy Excess	1,411	-	1,411	-
PLAC	-	660	660	-
Totals	<u>\$ 110,882</u>	<u>\$ 497,022</u>	<u>\$ 303,892</u>	<u>\$ 304,012</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 149,290	\$ 497,567	\$ 541,729	\$ 105,128
Gift	24,272	24,079	24,890	23,461
Rainy Day	-	7,418	-	7,418
State Technology	2,250	4,500	4,125	2,625
Lease Rental	117,239	202,887	177,155	142,971
Library Improvement Reserve	4,200	100	-	4,300
Equipment & Building	6,761	-	378	6,383
Fiduciary Fund:				
PLAC	-	540	540	-
Totals	<u>\$ 304,012</u>	<u>\$ 737,091</u>	<u>\$ 748,817</u>	<u>\$ 292,286</u>

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

SHERIDAN 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.

SHERIDAN 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.

SHERIDAN PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

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:		
Public Library Building	\$ 1,810,000	\$ 175,000
Total governmental activities debt	<u>\$ 1,810,000</u>	<u>\$ 175,000</u>

SHERIDAN PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

OFFICIAL BOND

The Director's official bond was not filed in the Office of the County Recorder. The Treasurer was not bonded.

IC 36-12-2-22 states in part: "The Treasurer shall give a surety bond for the faithful performance of duty and for the accurate accounting of all money coming into the treasurer's custody. The bond must be deposited in the office of the recorder of the county in which the library district is located."

SHERIDAN PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 9, 2009, with Stephen Martin, Director; and Kim Riley, former Director. The officials concurred with our finding.