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

EXAMINATION REPORT

OF

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY

ST. JOSEPH COUNTY, INDIANA

January 1, 2007 to December 31, 2009



**FILED**

10/27/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Stephen Boggs	01-01-07 to 12-31-10
Treasurer	Karla Scott Wendy Glon	01-01-07 to 12-31-08 01-01-09 to 12-31-10
President of the Board	Tom Pietrzak Lori Kimmel	01-01-07 to 12-31-08 01-01-09 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE NEW CARLISLE-OLIVE TOWNSHIP  
PUBLIC LIBRARY, ST. JOSEPH COUNTY, INDIANA

We have examined the financial information presented herein of New Carlisle-Olive Township Public Library (Library), for the period of January 1, 2007 to December 31, 2009. 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, 2008 and 2009, 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

August 4, 2010

NEW CARLISLE-OLIVE 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, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
<b>Governmental Funds:</b>				
General	\$ 861,213	\$ 732,891	\$ 643,526	\$ 950,578
Gift	6,822	5,754	8,523	4,053
Rainy Day	80,258	64,205	-	144,463
Café Gift	4,569	13,598	12,584	5,583
Levy Excess	5,584	-	5,584	-
Bond and Interest Redemption	316,985	389,585	424,568	282,002
Library Improvement Reserve	11,498	357	-	11,855
Library Capital Projects	57,857	40,239	60,684	37,412
Debt Service Reserve	442,600	19,034	-	461,634
<b>Fiduciary Funds:</b>				
Friends of the Library	2,349	1,338	100	3,587
Payroll Withholdings	-	61,114	61,114	-
<b>Totals</b>	<b><u>\$ 1,789,735</u></b>	<b><u>\$ 1,328,115</u></b>	<b><u>\$ 1,216,683</u></b>	<b><u>\$ 1,901,167</u></b>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
<b>Governmental Funds:</b>				
General	\$ 950,578	\$ 336,162	\$ 680,584	\$ 606,156
Gift	4,053	2,364	2,493	3,924
Rainy Day	144,463	104,491	86,744	162,210
Café Gift	5,583	18,220	20,243	3,560
Bond and Interest Redemption	282,002	129,558	354,432	57,128
Library Improvement Reserve	11,855	236	-	12,091
Library Capital Projects	37,412	13,356	38,566	12,202
Debt Service Reserve	461,634	6,842	-	468,476
<b>Fiduciary Funds:</b>				
Friends of the Library	3,587	1,539	2,846	2,280
Payroll Withholdings	-	64,276	64,276	-
<b>Totals</b>	<b><u>\$ 1,901,167</u></b>	<b><u>\$ 677,044</u></b>	<b><u>\$ 1,250,184</u></b>	<b><u>\$ 1,328,027</u></b>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
<b>Governmental Funds:</b>				
General	\$ 606,156	\$ 1,198,893	\$ 629,657	\$ 1,175,392
Gift	3,924	2,684	2,028	4,580
Rainy Day	162,210	228,625	134,506	256,329
Café Gift	3,560	16,007	17,193	2,374
Bond and Interest Redemption	57,128	972,838	840,569	189,397
Library Improvement Reserve	12,091	93	-	12,184
Library Capital Projects	12,202	40,987	30,572	22,617
Debt Service Reserve	468,476	225	-	468,701
<b>Fiduciary Funds:</b>				
Friends of the Library	2,280	1,919	145	4,054
Payroll Withholdings	-	65,055	65,055	-
PLAC	-	30	30	-
<b>Totals</b>	<b><u>\$ 1,328,027</u></b>	<b><u>\$ 2,527,356</u></b>	<b><u>\$ 1,719,755</u></b>	<b><u>\$ 2,135,628</u></b>

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

NEW CARLISLE-OLIVE 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: 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 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. 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.

NEW CARLISLE-OLIVE 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. Subsequent Event

On April 14, 2010, the Library refinanced \$3,600,000 of the First Mortgage Refunding Bonds issued May 31, 2001. Over the life of the refunding bonds, the Library will realize a savings of approximately \$150,000.

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 As of December 31, 2009

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 168,000
Buildings	3,093,626
Machinery and equipment	<u>1,475,494</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 4,737,120</u>

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2009

The Library has entered into the following debt:

Description of Asset	Ending Balance	Principal And Interest Due Within One Year
Governmental activities:		
Capital lease:		
Library Building Capital Lease	\$ 3,600,000	\$ 220,130

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

DEPOSITS

The Library did not maintain copies of the deposit tickets and did not document the type of funds received on receipt forms used; therefore, we could not determine if funds were deposited in the same form received.

IC 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."

NEW CARLISLE-OLIVE TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on August 4, 2010, with Stephen Boggs, Director; and Amy Schrock, Assistant Director. The officials concurred with our finding.