

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

EXAMINATION REPORT
OF
GREENWOOD PUBLIC LIBRARY
JOHNSON COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/09/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Margaret Hamilton	01-01-08 to 12-31-10
Treasurer	Shirley Vleck	01-01-08 to 12-31-10
President of the Board	J. David Julian	01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF GREENWOOD PUBLIC LIBRARY, JOHNSON COUNTY, INDIANA

We have examined the financial information presented herein of Greenwood Public Library (Library), for the period of January 1, 2008 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, 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 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

August 19, 2010

GREENWOOD 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ (2,623)	\$ 1,898,432	\$ 1,879,196	\$ 16,613
Gift	34,837	127,659	144,863	17,633
Gift Video	10,051	13,485	10,243	13,293
Rainy Day	55,922	83,464	139,000	386
1993 Bond and Interest Redemption	49,717	390,961	379,802	60,876
2000 Bond and Interest Redemption	399,081	178,766	416,102	161,745
Library Capital Projects	33,719	180,443	181,922	32,240
Library Improvement Reserve	84,789	-	35,000	49,789
Fiduciary Funds:				
Payroll Withholdings	9,772	225,093	207,691	27,174
PLAC	420	2,400	2,220	600
Totals	<u>\$ 675,685</u>	<u>\$ 3,100,703</u>	<u>\$ 3,396,039</u>	<u>\$ 380,349</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 16,613	\$ 1,881,430	\$ 1,810,157	\$ 87,886
Gift	17,633	37,459	38,357	16,735
Gift Video	13,293	12,441	19,834	5,900
Rainy Day	386	80,574	73,451	7,509
1993 Bond and Interest Redemption	60,876	497,661	302,232	256,305
2000 Bond and Interest Redemption	161,745	344,784	505,368	1,161
Library Capital Projects	32,240	242,777	253,916	21,101
Library Improvement Reserve	49,789	35,000	70,000	14,789
Target Grant	-	1,500	442	1,058
St. Tech Grant	-	5,280	5,280	-
LSTA Grant	-	17,903	17,903	-
Fiduciary Funds:				
Payroll Withholdings	27,174	209,712	219,396	17,490
PLAC	600	2,641	2,790	451
Totals	<u>\$ 380,349</u>	<u>\$ 3,369,162</u>	<u>\$ 3,319,126</u>	<u>\$ 430,385</u>

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

GREENWOOD 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: preservation and lending of books and audio materials 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.

GREENWOOD 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 June 15, 2010, the Library refinanced their General Obligation Bonds of 2000 in exchange for General Obligation Refunding and Improvement Bonds, Series 2010.

GREENWOOD PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Bonds payable:		
General obligation bonds:		
2000 Bonds	\$ 3,410,000	\$ 381,513
Total governmental activities debt	<u>\$ 3,410,000</u>	<u>\$ 381,513</u>

GREENWOOD PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

PENALTIES, INTEREST, AND OTHER CHARGES

Information presented for examination indicates that amounts payable to a certain vendor are not always paid on time and late fees are incurred. A total of \$74.52 was paid in late fees to this vendor during the examination period. A similar comment appeared in prior Report B32734.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

GREENWOOD PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 19, 2010, with Margaret Hamilton, Director, and Shirley Vleck, Treasurer. The officials concurred with our finding.