

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

EXAMINATION REPORT

OF

MONTICELLO-UNION TOWNSHIP PUBLIC LIBRARY

WHITE COUNTY, INDIANA

January 1, 2008 to December 31, 2009



**FILED**  
11/16/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Bill Caddell Rachel Ziegler	01-01-08 to 08-18-08 09-03-08 to 12-31-10
President of the Board	Don Hanni Bradley Moore	01-01-08 to 12-31-08 01-01-09 to 12-31-10
Treasurer	Arthur Morgan	01-01-08 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF MONTICELLO-UNION TOWNSHIP  
PUBLIC LIBRARY, WHITE COUNTY, INDIANA

We have examined the financial information presented herein of Monticello-Union Township 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.

STATE BOARD OF ACCOUNTS

August 24, 2010

MONTICELLO-UNION 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 15,645	\$ 582,986	\$ 572,012	\$ 26,619
Gift	102,744	56,835	57,466	102,113
Rainy Day	7,058	109,830	116,150	738
State Technology Fund Grant Fund	1,800	2,700	1,800	2,700
Library Improvement Reserve	79,602	50,000	111,600	18,002
Library Capital Projects	-	101,377	45,726	55,651
Fiduciary Funds:				
Payroll Withholdings	-	51,255	51,345	(90)
PLAC	-	-	-	-
Totals	<u>\$ 206,849</u>	<u>\$ 954,983</u>	<u>\$ 956,099</u>	<u>\$ 205,733</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 26,619	\$ 595,475	\$ 613,144	\$ 8,950
Gift	102,113	130,552	72,750	159,915
Rainy Day	738	164,747	110,000	55,485
State Technology Fund Grant Fund	2,700	2,700	2,250	3,150
Library Improvement Reserve	18,002	-	13,000	5,002
Library Capital Projects	55,651	89,804	130,389	15,066
ESL	-	743	5	738
Fiduciary Funds:				
Payroll Withholdings	(90)	54,930	48,931	5,909
Staff Association Fund	-	79	4	75
PLAC	-	30	-	30
Totals	<u>\$ 205,733</u>	<u>\$ 1,039,060</u>	<u>\$ 990,473</u>	<u>\$ 254,320</u>

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

MONTICELLO-UNION TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana.

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).

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.

MONTICELLO-UNION 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.

MONTICELLO-UNION TOWNSHIP PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

The Library does not maintain a capital asset record.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken at least 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)

MONTICELLO-UNION TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2010, with Bradley Moore, President of the Library Board; Arthur Morgan, Treasurer; Rachel Ziegler, Director; and Carol Pearson, Bookkeeper. The officials concurred with our finding.