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

EXAMINATION REPORT
OF
COLFAX - PERRY TOWNSHIP PUBLIC LIBRARY
CLINTON COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/18/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Judy Hemmerling (Vacant) Brenda Kinslow (Interim) Andrew Cougill	01-01-08 to 10-28-08 10-29-08 to 11-02-08 11-03-08 to 08-31-09 09-01-09 to 12-31-10
Treasurer	Amy Heidt Kathleen Good	01-01-08 to 02-24-09 02-25-09 to 12-31-10
President of the Board	Mary Alice Bell	01-01-08 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE COLFAX - PERRY TOWNSHIP
PUBLIC LIBRARY, CLINTON COUNTY, INDIANA

We have examined the financial information presented herein of the Colfax - Perry 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.

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

COLFAX - PERRY 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	\$ 20,965	\$ 129,781	\$ 139,666	\$ 11,080
Gift	555	2,533	1,148	1,940
Rainy Day	2,724	3,256	5,208	772
Capital Projects	-	61	-	61
Levy Excess	2,773	-	-	2,773
Lease Rental	24,906	106,831	116,100	15,637
Library Improvement Reserve	13,054	3,000	-	16,054
Lincoln Foundation Grant	-	2,000	-	2,000
Construction	328	-	328	-
Fiduciary Fund:				
Gill Trust	18,136	376	16,968	1,544
Totals	<u>\$ 83,441</u>	<u>\$ 247,838</u>	<u>\$ 279,418</u>	<u>\$ 51,861</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 11,080	\$ 74,258	\$ 81,925	\$ 3,413
Gift	1,940	526	426	2,040
Rainy Day	772	578	890	460
Capital Projects	61	7,033	7,042	52
Levy Excess	2,773	-	-	2,773
Lease Rental	15,637	73,204	88,000	841
Library Improvement Reserve	16,054	-	-	16,054
Lincoln Foundation Grant	2,000	1,020	3,020	-
Walmart Grant	-	1,000	553	447
Fiduciary Fund:				
Gill Trust	1,544	1,304	2,015	833
Totals	<u>\$ 51,861</u>	<u>\$ 158,923</u>	<u>\$ 183,871</u>	<u>\$ 26,913</u>

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

COLFAX - PERRY 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: 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.

COLFAX - PERRY TOWNSHIP 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:		
Capital leases:		
Library building improvements	\$ 1,312,000	\$ 86,000

COLFAX - PERRY TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

CASH NECESSARY TO BALANCE, BANK RECONCILIATIONS

A comparison of the records to the bank account indicated cash necessary to balance in the amount of \$202.59 at December 31, 2008, and \$193.83 and December 31, 2009.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

FORM 100R NOT FILED

The Library did not file a Form 100R, Report of Names, Addresses, Duties and Compensation of Public Employees with the State Board of Accounts during the examination period.

Public libraries are required to file Form 100R, Report of Names, Addresses, Duties and Compensation of Public Employees, in accordance with IC 5-11-13-1 during the month of January. (Accounting and Uniform Compliance Guidelines Manual for Public Libraries, Chapter 1)

PRESCRIBED FORM

The following prescribed or approved form was not always in use: Library Financial and Appropriation Record, Form 1.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

COLFAX - PERRY TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS
(Continued)

DEPOSITS

Desk collection receipts were accumulated and deposited monthly.

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."

ANNUAL REPORT

An annual report for 2009 was presented for examination, but was not reflective of the record transactions of the Library.

IC 5-3-1-4 states in part:

"(a) The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. . . . (b) The following shall . . . verify the reports required under subsection (a) not later than sixty (60) days after the end of each year . . . (2) A public library."

COLFAX - PERRY TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 31, 2010, with Andrew Cougill, Director; and Mary Alice Bell, President of the Board. The officials concurred with our findings.