

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

EXAMINATION REPORT
OF
LIGONIER PUBLIC LIBRARY
NOBLE COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/30/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Jerry Nesbitt	01-01-08 to 12-31-10
Treasurer	Nancy Cripe	01-01-08 to 12-31-10
President of the Board	Dennis Butler	01-01-08 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE LIGONIER PUBLIC LIBRARY, NOBLE COUNTY, INDIANA

We have examined the financial information presented herein of the Ligonier 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 Capital Assets, 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

September 21, 2010

LIGONIER PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	\$ 61,234	\$ 276,778	\$ 304,682	\$ 33,330
Gifts and Bequests	7,681	5,372	10,184	2,869
Gift Stock	8,770	-	-	8,770
Museum	1,283	1,751	1,569	1,465
Children's Programming	1,255	1,577	2,088	744
Library Improvement Reserve	10,658	6,950	-	17,608
100th Anniversary	6,419	10,821	15,326	1,914
State Technology Grant	1,800	1,800	1,950	1,650
Loan	-	88,555	-	88,555
Rainy Day	2,000	28,000	-	30,000
Totals	<u>\$ 101,100</u>	<u>\$ 421,604</u>	<u>\$ 335,799</u>	<u>\$ 186,905</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 33,330	\$ 369,408	\$ 320,623	\$ 82,115
Gifts and Bequests	2,869	23,077	11,625	14,321
Gift Stock	8,770	-	-	8,770
Museum	1,465	1,455	2,293	627
Children's Programming	744	1,138	1,882	-
Library Improvement Reserve	17,608	42,322	16,272	43,658
100th Anniversary	1,914	55	1,969	-
State Technology Grant	1,650	1,800	1,800	1,650
Loan	88,555	80,666	169,221	-
Rainy Day	30,000	27,500	23,735	33,765
Totals	<u>\$ 186,905</u>	<u>\$ 547,421</u>	<u>\$ 549,420</u>	<u>\$ 184,906</u>

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

LIGONIER 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 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.

LIGONIER PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended 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	\$ 50
Buildings	486,519
Improvements other than buildings	49,615
Machinery and equipment	<u>214,151</u>
Total governmental activities, capital assets not being depreciated	<u><u>\$ 750,335</u></u>

LIGONIER PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

CONDITION OF RECORDS

There were a considerable number of posting errors. Several funds were closed out during the year and the receipts and disbursements that occurred prior to closing the funds were not recorded in the ledger. Also, some transfers between funds were not recorded properly.

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)

ANNUAL REPORT

The annual report for 2009 was incorrect.

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)

LIGONIER PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 21, 2010, with Jerry Nesbitt, Director; Nancy Cripe, Treasurer; and Dennis Butler, President of the Board. The official response has been made a part of this report and may be found on page 9.



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September 22, 2010

“OFFICIAL RESPONSE”

State Board of Accounts

302 West Washington Street

Room E 418

Indianapolis, Indiana 46204-2765

To Whom It May Concern:

We the undersigned representatives of the Ligonier Public Library, having met on Tuesday, September 21, 2010 with your representative Heidi McCoy, do agree with the following comments in her report:

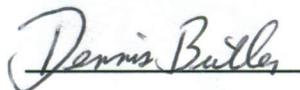
Condition of Records

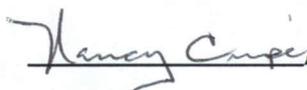
We will comply with the comments regarding proper posting procedure. Also, we will comply with the comments regarding the proper procedure regarding transfers between funds.

Annual report

We will comply with the comment regarding the annual report.

Sincerely,

 President

 Treasurer