

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

EXAMINATION REPORT

OF

SHELBYVILLE-SHELBY COUNTY PUBLIC LIBRARY

SHELBY COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED
12/09/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Janet Wallace	01-01-08 to 12-31-10
Treasurer	Bruce DeBaun Brian Brammer	01-01-08 to 12-31-08 01-01-09 to 12-31-10
President of the Board	Sylvia Spurling	01-01-08 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE SHELBYVILLE-SHELBY COUNTY
PUBLIC LIBRARY, SHELBY COUNTY, INDIANA

We have examined the financial information presented herein of the Shelbyville-Shelby County 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

SHELBYVILLE-SHELBY COUNTY 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	\$ 844,710	\$ 521,847	\$ 1,140,146	\$ 226,411
Rainy Day	23,000	31,606	3,455	51,151
Gifts & Bequests	33,841	124,312	9,313	148,840
Cape Grant	3,888	28,770	32,658	-
Technology Grant/LSTA	3,600	6,720	4,720	5,600
Bond and Interest Redemption	52,839	519	53,358	-
Library Improvement Reserve	165,078	79,499	50,102	194,475
McFadden Interest	1,854	308	-	2,162
Rotary Interest	696	77	-	773
JC DePrez Expendable	173,556	11,369	-	184,925
Fiduciary Funds:				
McFadden Principal Nonexpendable	10,000	-	-	10,000
Rotary Principal Nonexpendable	3,065	-	-	3,065
JC DePrez Nonexpendable	133,786	-	-	133,786
Payroll	-	261,114	261,114	-
PLAC	-	1,140	1,140	-
Totals	<u>\$ 1,449,913</u>	<u>\$ 1,067,281</u>	<u>\$ 1,556,006</u>	<u>\$ 961,188</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 226,411	\$ 1,102,185	\$ 1,010,520	\$ 318,076
Rainy Day	51,151	17,060	-	68,211
Gifts & Bequests	148,840	14,618	124,454	39,004
Blue River Foundation	-	500	500	-
Skin Deep Grant	-	400	400	-
Technology Grant/LSTA	5,600	9,600	8,000	7,200
Library Improvement Reserve	194,475	79,101	29,524	244,052
McFadden Interest Expendable	2,162	148	-	2,310
Rotary Interest Expendable	773	59	-	832
JC DePrez Expendable	184,925	11,314	-	196,239
M.L. Robbins	-	108,024	-	108,024
Fiduciary Funds:				
McFadden Principal Nonexpendable	10,000	-	-	10,000
Rotary Principal Nonexpendable	3,065	-	-	3,065
JC DePrez Nonexpendable	133,786	-	-	133,786
Payroll	-	262,737	262,737	-
PLAC	-	960	960	-
Totals	<u>\$ 961,188</u>	<u>\$ 1,606,706</u>	<u>\$ 1,437,095</u>	<u>\$ 1,130,799</u>

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

SHELBYVILLE-SHELBY COUNTY 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 and 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.

SHELBYVILLE-SHELBY COUNTY 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.

SHELBYVILLE-SHELBY COUNTY 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:	
Buildings	\$ 496,730
Machinery and equipment	<u>21,876</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 518,606</u>

SHELBYVILLE-SHELBY COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 21, 2010, with Brian Brammer, Treasurer; Janet Wallace, Director; and Valerie Stevens, Business Office Director. Our examination disclosed no material items that warrant comment at this time.