

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

EXAMINATION REPORT
OF
CROWN POINT COMMUNITY PUBLIC LIBRARY
LAKE COUNTY, INDIANA
January 1, 2007 to December 31, 2010



FILED
02/09/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Lynn M. Frank	01-01-07 to 12-31-11
Treasurer	Timothy E. Fealy Fiona C. McCarroll	01-01-07 to 12-31-08 01-01-09 to 12-31-11
President of the Board	Sally S. Nalbor Susan E. Vieweg Bonnie H. Hunter	01-01-07 to 12-31-07 01-01-08 to 02-25-08 02-26-08 to 12-31-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CROWN POINT COMMUNITY
PUBLIC LIBRARY, LAKE COUNTY, INDIANA

We have examined the financial information presented herein of the Crown Point Community Public Library (Library), for the period of January 1, 2007 to December 31, 2010. 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, 2007, 2008, 2009, and 2010, 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

January 26, 2011

CROWN POINT COMMUNITY 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, 2007, 2008, 2009, And 2010

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 797,290	\$ 5,190,867	\$ 5,449,524	\$ 538,633
Gift	113,181	35,593	18,902	129,872
Grant	5,000	12,466	9,950	7,516
Library Improvement Reserve	140,267	104,689	-	244,956
Library Capital Projects	409,708	151,609	52,781	508,536
Fiduciary Funds:				
Payroll	-	965,502	965,502	-
PLAC	-	180	180	-
Totals	<u>\$ 1,465,446</u>	<u>\$ 6,460,906</u>	<u>\$ 6,496,839</u>	<u>\$ 1,429,513</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 538,633	\$ 4,171,199	\$ 3,997,058	\$ 712,774
Gift	129,872	17,817	23,577	124,112
Grant	7,516	10,371	7,920	9,967
Library Improvement Reserve	244,956	101,261	-	346,217
Library Capital Projects	508,536	306,527	38,683	776,380
Fiduciary Funds:				
Payroll	-	1,050,037	1,050,037	-
PLAC	-	120	120	-
Totals	<u>\$ 1,429,513</u>	<u>\$ 5,657,332</u>	<u>\$ 5,117,395</u>	<u>\$ 1,969,450</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 712,774	\$ 1,666,808	\$ 1,611,673	\$ 767,909
Gift	124,112	165,873	6,319	283,666
Grant	9,967	14,220	12,711	11,476
Rainy Day	-	100,000	-	100,000
Excess Welfare Distribution	-	23,548	-	23,548
Library Improvement Reserve	346,217	206	-	346,423
Library Capital Projects	776,380	394,596	130,797	1,040,179
Fiduciary Funds:				
Payroll	-	1,072,186	1,072,186	-
PLAC	-	90	90	-
Totals	<u>\$ 1,969,450</u>	<u>\$ 3,437,527</u>	<u>\$ 2,833,776</u>	<u>\$ 2,573,201</u>

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Governmental Funds:				
General	\$ 767,909	\$ 1,249,186	\$ 1,391,360	\$ 625,735
Gift	283,666	16,743	5,461	294,948
Grant	11,476	8,589	11,685	8,380
Rainy Day	100,000	-	-	100,000
Excess Welfare Distribution	23,548	4,353	-	27,901
Levy Excess	-	3,554	-	3,554
Library Improvement Reserve	346,423	190	48,691	297,922
Library Capital Projects	1,040,179	260,280	470,757	829,702
Construction	-	1,492,140	430,512	1,061,628
Fiduciary Funds:				
Payroll	-	1,143,229	1,143,229	-
PLAC	-	50	50	-
Totals	<u>\$ 2,573,201</u>	<u>\$ 4,178,314</u>	<u>\$ 3,501,745</u>	<u>\$ 3,249,770</u>

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

CROWN POINT COMMUNITY PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides culture and recreation 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.

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.

CROWN POINT COMMUNITY 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

In May 2010, the Library purchased property for a new library. A Bond Resolution authorizing the issuance of \$11,980,000 in General Obligation Bonds to finance the construction was adopted October 26, 2010. Proceeds of \$1,500,000 from the sale of phase I of the bond issue, General Obligation Bonds of 2010, were received in December 2010. The remaining amount will be sold in 2011 and the ground breaking for construction of the new library is set for May 2011.

CROWN POINT COMMUNITY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

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:		
2010 Library Construction	\$ 1,500,000	\$ 912,837

CROWN POINT COMMUNITY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on January 26, 2011, with Lynn M. Frank, Director, and Katherine M. Lodovisi, Business Manager. Our examination disclosed no material items that warrant comment at this time.

Fiona C. McCarroll, Treasurer, was also informed that there were no material items that warrant comment at this time on January 20, 2011.