

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

MICHIGAN CITY PUBLIC LIBRARY

LAPORTE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
10/17/2012

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Don Glossinger	01-01-10 to 12-31-12
Treasurer	Beth Bell Edward A. (Chip) Claussen, Jr.	01-01-10 to 04-27-11 04-28-11 to 12-31-12
President of the Board	Kenneth Rottman Samuel Ferguson	01-01-10 to 12-31-11 01-01-12 to 12-31-12



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MICHIGAN CITY PUBLIC LIBRARY, LAPORTE COUNTY, INDIANA

We have examined the accompanying financial statements of the Michigan City Public Library (Library), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on the financial statements 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Library for the years ended December 31, 2010 and 2011, on the basis of accounting described in Note 1.

Our examination was conducted for the purpose of forming an opinion on the Library's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Library's management, Library Board, and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

September 20, 2012

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FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Library. The financial statements and notes are presented as intended by the Library.

MICHIGAN CITY PUBLIC LIBRARY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Operating	\$ 391,477	\$ 4,178,383	\$ 4,258,769	\$ 311,091
Endowment Earnings	11,191	28,234	19,999	19,426
Endowment Trust	357	10,638	9,900	1,095
Gift	4,464	1,354	421	5,397
Rainy Day	140,000	200,000	-	340,000
Gift/Forum Speaks	968	-	-	968
Literacy	7,432	300	406	7,326
Programming	628	1,120	1,617	131
Levy Excess	18,676	-	-	18,676
Literacy Internship	1,750	-	-	1,750
Platt/Coffin Earnings	22,237	8,100	15,014	15,323
Library Improvement Reserve	20,234	-	-	20,234
Platt/Coffin Investment	458,879	18,426	19,894	457,411
Endowment Investment	949,764	52,978	28,504	974,238
Payroll	15,516	382,351	386,972	10,895
Plac Card	30	50	80	-
Friends	285	8,537	8,429	393
Sinai Forum	-	1,950	1,950	-
Totals	<u>\$ 2,043,888</u>	<u>\$ 4,892,421</u>	<u>\$ 4,751,955</u>	<u>\$ 2,184,354</u>

The notes to the financial statements are an integral part of this statement.

MICHIGAN CITY PUBLIC LIBRARY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Rainy Day	\$ 340,000	\$ -	\$ 200,000	\$ 140,000
Levy Excess	18,676	14,538	18,676	14,538
Library Improvement Reserve	20,234	450,000	450,000	20,234
Operating	311,091	4,292,362	4,551,680	51,773
Endowment Earnings	19,426	25,901	27,652	17,675
Endowment Trust	1,095	8,408	9,284	219
Gift	5,397	8,790	8,418	5,769
Gift/Forum Speaks	968	-	-	968
Literacy	7,326	1,508	1,161	7,673
Programming	131	605	703	33
Literacy Internship	1,750	-	-	1,750
Platt/Coffin Earnings	15,323	10,697	16,735	9,285
Platt/Coffin Investment	457,411	28,396	20,325	465,482
Endowment Investment	974,238	48,447	28,417	994,268
Payroll	10,895	391,053	387,747	14,201
Friends	393	8,293	8,212	474
Totals	<u>\$ 2,184,354</u>	<u>\$ 5,288,998</u>	<u>\$ 5,729,010</u>	<u>\$ 1,744,342</u>

The notes to the financial statements are an integral part of this statement.

MICHIGAN CITY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Library was established under the laws of the State of Indiana. The Library operates under an appointed governing board and provides culture services.

The accompanying financial statements present the financial information for the Library.

B. Basis of Accounting

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

D. Receipts

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Library.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

MICHIGAN CITY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution or court order; internal service receipts; and fiduciary receipts.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

F. Interfund Transfers

The Library may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

G. Fund Accounting

Separate funds are established, maintained, and reported by the Library. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Library. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Library in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

MICHIGAN CITY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 2. Budgets

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Library submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

Note 3. Property Taxes

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Library in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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.

Note 5. Risk Management

The Library may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Library to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

MICHIGAN CITY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is 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 Indiana Public Retirement System (INPRS) 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 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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:

Indiana Public Retirement System
1 North Capital Street, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

Note 7. Subsequent Events

LaPorte County Property Taxes

LaPorte County has been unable to establish approved assessment amounts for county-wide properties. This has caused the County to bill property owners based on "provisional" tax bills. Currently LaPorte County has completed reconciling tax bills for the 2008 pay 2009 and 2009 pay 2010 property taxes. These delays and uncertainties have resulted in a lower than budgeted property tax collection rate for the County. It is undetermined how much property tax collections the County will receive once all the reconciliation bills have been distributed and the collections received.

Tax Anticipation Warrants

During 2012, the Library borrowed the following funds from the Indiana Bond Bank: January 3, 2012, \$1,000,282 and on May 17, 2012, \$482,058. A payment was made to the Indiana Bond Bank in June 2012 totaling \$660,345.

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SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Library's 2010 Annual Report can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

For additional financial information, the Library's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Library which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Library. It is presented as intended by the Library.

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010

	Operating	Endowment Earnings	Endowment Trust	Gift	Rainy Day	Gift/Forum Speaks	Literacy
Cash and investments - beginning	\$ 391,477	\$ 11,191	\$ 357	\$ 4,464	\$ 140,000	\$ 968	\$ 7,432
Receipts:							
Taxes	2,435,166	-	-	-	-	-	-
Intergovernmental	374,915	-	-	-	-	-	-
Charges for services	73,522	-	-	-	-	-	-
Other receipts	1,294,780	28,234	10,638	1,354	200,000	-	300
Total receipts	4,178,383	28,234	10,638	1,354	200,000	-	300
Disbursements:							
Personal services	1,630,707	-	-	-	-	-	-
Supplies	75,785	540	-	-	-	-	58
Other services and charges	404,463	12,531	-	-	-	-	40
Capital outlay	378,650	1,928	-	421	-	-	308
Other disbursements	1,769,164	5,000	9,900	-	-	-	-
Total disbursements	4,258,769	19,999	9,900	421	-	-	406
Excess (deficiency) of receipts over disbursements	(80,386)	8,235	738	933	200,000	-	(106)
Cash and investments - ending	\$ 311,091	\$ 19,426	\$ 1,095	\$ 5,397	\$ 340,000	\$ 968	\$ 7,326

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Programming	Levy Excess	Literacy Internship	Platt/Coffin Earnings	Library Improvement Reserve	Platt/Coffin Investment
Cash and investments - beginning	\$ 628	\$ 18,676	\$ 1,750	\$ 22,237	\$ 20,234	\$ 458,879
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Other receipts	1,120	-	-	8,100	-	18,426
Total receipts	1,120	-	-	8,100	-	18,426
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	326	-	-	6,783	-	-
Other services and charges	1,291	-	-	3,220	-	6,376
Capital outlay	-	-	-	5,011	-	-
Other disbursements	-	-	-	-	-	13,518
Total disbursements	1,617	-	-	15,014	-	19,894
Excess (deficiency) of receipts over disbursements	(497)	-	-	(6,914)	-	(1,468)
Cash and investments - ending	\$ 131	\$ 18,676	\$ 1,750	\$ 15,323	\$ 20,234	\$ 457,411

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2010
 (Continued)

	Endowment Investment	Payroll	Plac Card	Friends	Sinai Forum	Totals
Cash and investments - beginning	\$ 949,764	\$ 15,516	\$ 30	\$ 285	\$ -	\$ 2,043,888
Receipts:						
Taxes	-	-	-	-	-	2,435,166
Intergovernmental	-	-	-	-	-	374,915
Charges for services	-	-	-	-	-	73,522
Other receipts	52,978	382,351	50	8,537	1,950	2,008,818
Total receipts	52,978	382,351	50	8,537	1,950	4,892,421
Disbursements:						
Personal services	-	386,972	-	-	-	2,017,679
Supplies	-	-	-	-	-	83,492
Other services and charges	-	-	80	8,429	1,950	438,380
Capital outlay	2,925	-	-	-	-	389,243
Other disbursements	25,579	-	-	-	-	1,823,161
Total disbursements	28,504	386,972	80	8,429	1,950	4,751,955
Excess (deficiency) of receipts over disbursements	24,474	(4,621)	(30)	108	-	140,466
Cash and investments - ending	\$ 974,238	\$ 10,895	\$ -	\$ 393	\$ -	\$ 2,184,354

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011

	Rainy Day	Levy Excess	Library Improvement Reserve	Operating	Endowment Earnings	Endowment Trust
Cash and investments - beginning	\$ 340,000	\$ 18,676	\$ 20,234	\$ 311,091	\$ 19,426	\$ 1,095
Receipts:						
Taxes	-	-	-	1,666,992	-	-
Intergovernmental	-	-	-	340,730	-	-
Charges for services	-	-	-	71,877	-	-
Fines and forfeits	-	-	-	10,276	-	-
Other receipts	-	14,538	450,000	2,202,487	25,901	8,408
Total receipts	-	14,538	450,000	4,292,362	25,901	8,408
Disbursements:						
Personal services	-	-	-	1,703,690	-	-
Supplies	-	-	-	78,888	895	-
Other services and charges	-	-	-	291,347	15,055	-
Debt service - principal and interest	-	-	-	1,662,778	-	-
Capital outlay	-	-	-	350,439	3,396	-
Other disbursements	200,000	18,676	450,000	464,538	8,306	9,284
Total disbursements	200,000	18,676	450,000	4,551,680	27,652	9,284
Excess (deficiency) of receipts over disbursements	(200,000)	(4,138)	-	(259,318)	(1,751)	(876)
Cash and investments - ending	<u>\$ 140,000</u>	<u>\$ 14,538</u>	<u>\$ 20,234</u>	<u>\$ 51,773</u>	<u>\$ 17,675</u>	<u>\$ 219</u>

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	Gift	Gift/Forum Speaks	Literacy	Programming	Literacy Internship	Platt/Coffin Earnings
Cash and investments - beginning	\$ 5,397	\$ 968	\$ 7,326	\$ 131	\$ 1,750	\$ 15,323
Receipts:						
Taxes	30	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	8,760	-	1,508	605	-	10,697
Total receipts	8,790	-	1,508	605	-	10,697
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	71	190	-	9,027
Other services and charges	8,418	-	522	513	-	2,100
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	568	-	-	5,608
Other disbursements	-	-	-	-	-	-
Total disbursements	8,418	-	1,161	703	-	16,735
Excess (deficiency) of receipts over disbursements	372	-	347	(98)	-	(6,038)
Cash and investments - ending	<u>\$ 5,769</u>	<u>\$ 968</u>	<u>\$ 7,673</u>	<u>\$ 33</u>	<u>\$ 1,750</u>	<u>\$ 9,285</u>

MICHIGAN CITY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2011
 (Continued)

	<u>Platt/Coffin Investment</u>	<u>Endowment Investment</u>	<u>Payroll</u>	<u>Friends</u>	<u>Totals</u>
Cash and investments - beginning	\$ 457,411	\$ 974,238	\$ 10,895	\$ 393	\$ 2,184,354
Receipts:					
Taxes	-	-	209,749	-	1,876,771
Intergovernmental	-	-	-	-	340,730
Charges for services	-	-	-	8,293	80,170
Fines and forfeits	-	-	-	-	10,276
Other receipts	<u>28,396</u>	<u>48,447</u>	<u>181,304</u>	<u>-</u>	<u>2,981,051</u>
Total receipts	<u>28,396</u>	<u>48,447</u>	<u>391,053</u>	<u>8,293</u>	<u>5,288,998</u>
Disbursements:					
Personal services	-	-	387,747	-	2,091,437
Supplies	-	-	-	-	89,071
Other services and charges	-	-	-	-	317,955
Debt service - principal and interest	-	-	-	-	1,662,778
Capital outlay	-	-	-	8,212	368,223
Other disbursements	<u>20,325</u>	<u>28,417</u>	<u>-</u>	<u>-</u>	<u>1,199,546</u>
Total disbursements	<u>20,325</u>	<u>28,417</u>	<u>387,747</u>	<u>8,212</u>	<u>5,729,010</u>
Excess (deficiency) of receipts over disbursements	<u>8,071</u>	<u>20,030</u>	<u>3,306</u>	<u>81</u>	<u>(440,012)</u>
Cash and investments - ending	<u>\$ 465,482</u>	<u>\$ 994,268</u>	<u>\$ 14,201</u>	<u>\$ 474</u>	<u>\$ 1,744,342</u>

MICHIGAN CITY PUBLIC LIBRARY
SCHEDULE OF PAYABLES AND RECEIVABLES
December 31, 2011

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 61,075</u>	<u>\$ -</u>

MICHIGAN CITY PUBLIC LIBRARY
 SCHEDULE OF LEASES AND DEBT
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	Purpose	\$ 650,000	\$ 650,000
Tax anticipation warrants	Short-Term Operating Fund Loan	<u>986,779</u>	<u>1,027,730</u>
Totals		<u>\$ 1,636,779</u>	<u>\$ 1,677,730</u>

MICHIGAN CITY PUBLIC LIBRARY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2011

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.

	Ending Balance
Governmental activities:	
Land	\$ 206,213
Buildings	1,612,115
Improvements other than buildings	904,190
Machinery, equipment and vehicles	285,000
Books and other	2,981,940
Total capital assets	\$ 5,989,458

MICHIGAN CITY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on September 20, 2012, with Don Glossinger, Director, and Edward A. (Chip) Claussen, Jr., Treasurer. Our examination disclosed no material items that warrant comment at this time.