

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY

DELAWARE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



FILED
11/26/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Report.....	3
Financial Statements:	
Statements of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	6-7
Notes to Financial Statements	8-11
Supplementary Information:	
Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis	14-22
Schedule of Leases and Debt	23
Schedule of Capital Assets.....	24
Examination Result and Comment:	
Contracts	25
Exit Conference.....	26

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Virginia Nilles	01-01-10 to 12-31-12
Treasurer	Beth Kroehler	01-01-10 to 12-31-12
President of the Board	Billie Sheppard Roger Gilcrest	06-01-09 to 05-31-11 06-01-11 to 05-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MUNCIE-CENTER TOWNSHIP
PUBLIC LIBRARY, DELAWARE COUNTY, INDIANA

We have examined the accompanying financial statements of the Muncie-Center Township 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 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

October 29, 2012

(This page intentionally left blank.)

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.

MUNCIE-CENTER TOWNSHIP 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 Fund	\$ 925,764	\$ 4,877,578	\$ 4,067,920	\$ 1,735,422
Petty Cash	(688)	888	-	200
Cash Change Fund	-	588	-	588
Plac Card Fund	4,739	3,396	7,664	471
Endowment Fund	3,717	5,040	1,229	7,528
Gift	6,748	3,452	8,919	1,281
Rainy Day	537,467	36,241	-	573,708
Summer Reading	(290)	4,903	-	4,613
Levy Excess	-	11,862	-	11,862
Adult Programs	3,569	6,635	5,325	4,879
Fun Committee	1,237	784	474	1,547
Lincoln Traveling Exhibit	1,000	-	-	1,000
Schoolyard Habitat Grant	921	-	921	-
Wal Mart Laptop Grant	862	-	862	-
Youth Service	51	2,041	1,092	1,000
21St Cclc Grant	13,793	43,387	57,180	-
Soul Of A People Grant	209	-	209	-
Mh Community Garden	295	953	119	1,129
2009 Great Achievers Program	2,014	-	2,014	-
Gates Grant (Ca & Mh)	11,500	33,150	44,624	26
Local History/Genealogy	-	1,686	-	1,686
21St Cclc Grant - 2Yr	-	231,958	231,958	-
Kennedy Remodel	86	-	-	86
Library Improvement Reserve	17,370	50,090	-	67,460
2009 Lsta Grant	-	3,986	3,986	-
Map Fund	-	10,632	9,316	1,316
Kennedy Vending	(1,221)	4,499	2,315	963
Carnegie Café	534	-	534	-
Totals	<u>\$ 1,529,677</u>	<u>\$ 5,333,749</u>	<u>\$ 4,446,661</u>	<u>\$ 2,416,765</u>

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

MUNCIE-CENTER TOWNSHIP 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
Operating Fund	\$ 1,735,422	\$ 3,981,793	\$ 4,173,616	\$ 1,543,599
Rainy Day	573,708	2,241	49,088	526,861
Summer Reading	4,613	247	4,475	385
Levy Excess	11,862	-	11,862	-
Library Improvement Reserve	67,460	10,295	-	77,755
Geek the Library Grant	-	9,817	9,817	-
DCCC Grant	-	1,435	1,435	-
Kennedy Vending	963	2,877	1,006	2,834
21st CCLE Grant-3yrd	-	181,356	185,534	(4,178)
Connection Corner Renovation	-	65,000	-	65,000
Petty Cash	200	-	-	200
Cash Change Fund	588	-	-	588
Plac Card Fund	471	1,152	1,503	120
Endowment Fund	7,528	790	4,025	4,293
Gift	1,281	5,395	2,400	4,276
Adult Programs	4,879	1,555	1,297	5,137
Fun Committee	1,547	1,177	1,574	1,150
Lincoln Traveling Exhibit	1,000	-	1,000	-
Youth Service	1,000	787	732	1,055
Mh Community Garden	1,129	380	200	1,309
Gates Grant (Ca & Mh)	26	-	26	-
Local History/Genealogy	1,686	536	1,686	536
21St Cclc Grant - 2Yr	-	81,442	81,442	-
Kennedy Remodel	86	-	86	-
Map Fund	1,316	34,007	23,794	11,529
Totals	<u>\$ 2,416,765</u>	<u>\$ 4,382,282</u>	<u>\$ 4,556,598</u>	<u>\$ 2,242,449</u>

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

MUNCIE-CENTER TOWNSHIP 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.

Licenses and permits which include amounts received from businesses, occupations, or non-businesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include: peddler licenses, dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

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,

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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: copies of public records, copy machine charges, ordinance violations, and fines and fees.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Penalties which include fees received for late payments.

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.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Library. It includes all expenditures for the reduction of the principal and interest of the Library's general obligation indebtedness.

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

Utility operating expenses which include all outflows for operating the utilities.

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.

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

(This page intentionally left blank.)

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.

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

	Operating Fund	Petty Cash	Cash Change Fund	Plac Card Fund	Endowment Fund	Gift
Cash and investments - beginning	\$ 925,764	\$ (688)	\$ -	\$ 4,739	\$ 3,717	\$ 6,748
Receipts:						
Taxes	4,679,246	-	-	-	-	-
Fines and forfeits	129,646	-	-	-	-	-
Other receipts	<u>68,686</u>	<u>888</u>	<u>588</u>	<u>3,396</u>	<u>5,040</u>	<u>3,452</u>
Total receipts	<u>4,877,578</u>	<u>888</u>	<u>588</u>	<u>3,396</u>	<u>5,040</u>	<u>3,452</u>
Disbursements:						
Personal services	2,426,047	-	-	-	-	-
Supplies	64,861	-	-	-	-	-
Other services and charges	971,443	-	-	3,556	-	-
Capital outlay	542,383	-	-	-	1,229	-
Other disbursements	<u>63,186</u>	<u>-</u>	<u>-</u>	<u>4,108</u>	<u>-</u>	<u>8,919</u>
Total disbursements	<u>4,067,920</u>	<u>-</u>	<u>-</u>	<u>7,664</u>	<u>1,229</u>	<u>8,919</u>
Excess (deficiency) of receipts over disbursements	<u>809,658</u>	<u>888</u>	<u>588</u>	<u>(4,268)</u>	<u>3,811</u>	<u>(5,467)</u>
Cash and investments - ending	<u>\$ 1,735,422</u>	<u>\$ 200</u>	<u>\$ 588</u>	<u>\$ 471</u>	<u>\$ 7,528</u>	<u>\$ 1,281</u>

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

	Rainy Day	Summer Reading	Levy Excess	Adult Programs	Fun Committee	Lincoln Traveling Exhibit
Cash and investments - beginning	\$ 537,467	\$ (290)	\$ -	\$ 3,569	\$ 1,237	\$ 1,000
Receipts:						
Taxes	22,227	-	11,862	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	14,014	4,903	-	6,635	784	-
Total receipts	<u>36,241</u>	<u>4,903</u>	<u>11,862</u>	<u>6,635</u>	<u>784</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	474	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	5,325	-	-
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,325</u>	<u>474</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>36,241</u>	<u>4,903</u>	<u>11,862</u>	<u>1,310</u>	<u>310</u>	<u>-</u>
Cash and investments - ending	<u>\$ 573,708</u>	<u>\$ 4,613</u>	<u>\$ 11,862</u>	<u>\$ 4,879</u>	<u>\$ 1,547</u>	<u>\$ 1,000</u>

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

	Schoolyard Habitat Grant	Wal Mart Laptop Grant	Youth Service	21St Cclc Grant	Soul Of A People Grant	Mh Community Garden
Cash and investments - beginning	\$ 921	\$ 862	\$ 51	\$ 13,793	\$ 209	\$ 295
Receipts:						
Taxes	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	-	2,041	43,387	-	953
Total receipts	-	-	2,041	43,387	-	953
Disbursements:						
Personal services	-	-	-	30,685	-	-
Supplies	-	-	-	9,453	-	-
Other services and charges	-	-	-	16,342	-	-
Capital outlay	428	-	-	700	-	-
Other disbursements	493	862	1,092	-	209	119
Total disbursements	921	862	1,092	57,180	209	119
Excess (deficiency) of receipts over disbursements	(921)	(862)	949	(13,793)	(209)	834
Cash and investments - ending	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ 1,129

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

	2009 Great Achievers Program	Gates Grant (Ca & Mh)	Local History/Genealogy	21St Cclc Grant- 2Yr	Kennedy Remodel	Library Improvement Reserve
Cash and investments - beginning	\$ 2,014	\$ 11,500	\$ -	\$ -	\$ 86	\$ 17,370
Receipts:						
Taxes	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	-	33,150	1,686	231,958	-	50,090
Total receipts	-	33,150	1,686	231,958	-	50,090
Disbursements:						
Personal services	-	-	-	29,706	-	-
Supplies	-	-	-	9,917	-	-
Other services and charges	-	-	-	183,535	-	-
Capital outlay	-	44,624	-	8,800	-	-
Other disbursements	2,014	-	-	-	-	-
Total disbursements	2,014	44,624	-	231,958	-	-
Excess (deficiency) of receipts over disbursements	(2,014)	(11,474)	1,686	-	-	50,090
Cash and investments - ending	\$ -	\$ 26	\$ 1,686	\$ -	\$ 86	\$ 67,460

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

	2009 Lsta Grant	Map Fund	Kennedy Vending	Carnegie Café	Totals
Cash and investments - beginning	\$ -	\$ -	\$ (1,221)	\$ 534	\$ 1,529,677
Receipts:					
Taxes	-	-	-	-	4,713,335
Fines and forfeits	-	-	-	-	129,646
Other receipts	3,986	10,632	4,499	-	490,768
Total receipts	<u>3,986</u>	<u>10,632</u>	<u>4,499</u>	<u>-</u>	<u>5,333,749</u>
Disbursements:					
Personal services	-	-	-	-	2,486,438
Supplies	-	-	-	-	84,705
Other services and charges	-	-	-	-	1,174,876
Capital outlay	-	-	-	-	598,164
Other disbursements	3,986	9,316	2,315	534	102,478
Total disbursements	<u>3,986</u>	<u>9,316</u>	<u>2,315</u>	<u>534</u>	<u>4,446,661</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>1,316</u>	<u>2,184</u>	<u>(534)</u>	<u>887,088</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 1,316</u>	<u>\$ 963</u>	<u>\$ -</u>	<u>\$ 2,416,765</u>

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

	Operating Fund	Rainy Day	Summer Reading	Levy Excess	Library Improvement Reserve	Geek the Library Grant	DCCC Grant
Cash and investments - beginning	\$ 1,735,422	\$ 573,708	\$ 4,613	\$ 11,862	\$ 67,460	\$ -	\$ -
Receipts:							
Taxes	3,088,097	-	-	-	-	-	-
Intergovernmental	644,441	-	-	-	-	-	-
Charges for services	17,774	-	-	-	-	-	-
Fines and forfeits	117,337	-	-	-	-	-	-
Other receipts	114,144	2,241	247	-	10,295	9,817	1,435
Total receipts	<u>3,981,793</u>	<u>2,241</u>	<u>247</u>	<u>-</u>	<u>10,295</u>	<u>9,817</u>	<u>1,435</u>
Disbursements:							
Personal services	2,486,549	-	-	-	-	-	-
Supplies	60,743	-	4,475	-	-	6,142	-
Other services and charges	573,465	-	-	-	-	3,675	-
Debt service - principal and interest	403,704	-	-	-	-	-	-
Capital outlay	639,155	49,088	-	-	-	-	-
Other disbursements	10,000	-	-	11,862	-	-	1,435
Total disbursements	<u>4,173,616</u>	<u>49,088</u>	<u>4,475</u>	<u>11,862</u>	<u>-</u>	<u>9,817</u>	<u>1,435</u>
Excess (deficiency) of receipts over disbursements	<u>(191,823)</u>	<u>(46,847)</u>	<u>(4,228)</u>	<u>(11,862)</u>	<u>10,295</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,543,599</u>	<u>\$ 526,861</u>	<u>\$ 385</u>	<u>\$ -</u>	<u>\$ 77,755</u>	<u>\$ -</u>	<u>\$ -</u>

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

	Kennedy Vending	21st CCLE Grant-3yrd	Connection Corner Renovation	Petty Cash	Cash Change Fund	Plac Card Fund	Endowment Fund
Cash and investments - beginning	\$ 963	\$ -	\$ -	\$ 200	\$ 588	\$ 471	\$ 7,528
Receipts:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	1,152	-
Fines and forfeits	-	-	-	-	-	-	-
Other receipts	2,877	181,356	65,000	-	-	-	790
Total receipts	<u>2,877</u>	<u>181,356</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>1,152</u>	<u>790</u>
Disbursements:							
Personal services	-	32,758	-	-	-	-	-
Supplies	1,006	13,472	-	-	-	-	-
Other services and charges	-	139,304	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	1,503	4,025
Total disbursements	<u>1,006</u>	<u>185,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,503</u>	<u>4,025</u>
Excess (deficiency) of receipts over disbursements	<u>1,871</u>	<u>(4,178)</u>	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>(351)</u>	<u>(3,235)</u>
Cash and investments - ending	<u>\$ 2,834</u>	<u>\$ (4,178)</u>	<u>\$ 65,000</u>	<u>\$ 200</u>	<u>\$ 588</u>	<u>\$ 120</u>	<u>\$ 4,293</u>

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

	Gift	Adult Programs	Fun Committee	Lincoln Traveling Exhibit	Youth Service	Mh Community Garden
Cash and investments - beginning	\$ 1,281	\$ 4,879	\$ 1,547	\$ 1,000	\$ 1,000	\$ 1,129
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	5,395	1,555	1,177	-	787	380
Total receipts	<u>5,395</u>	<u>1,555</u>	<u>1,177</u>	<u>-</u>	<u>787</u>	<u>380</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	2,400	1,297	1,574	-	732	200
Other services and charges	-	-	-	950	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	-	-	50	-	-
Total disbursements	<u>2,400</u>	<u>1,297</u>	<u>1,574</u>	<u>1,000</u>	<u>732</u>	<u>200</u>
Excess (deficiency) of receipts over disbursements	<u>2,995</u>	<u>258</u>	<u>(397)</u>	<u>(1,000)</u>	<u>55</u>	<u>180</u>
Cash and investments - ending	<u>\$ 4,276</u>	<u>\$ 5,137</u>	<u>\$ 1,150</u>	<u>\$ -</u>	<u>\$ 1,055</u>	<u>\$ 1,309</u>

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

	Gates Grant (Ca & Mh)	Local History/ Genealogy	21St Cclc Grant - 2Yr	Kennedy Remodel	Map Fund	Totals
Cash and investments - beginning	\$ 26	\$ 1,686	\$ -	\$ 86	\$ 1,316	\$ 2,416,765
Receipts:						
Taxes	-	-	-	-	-	3,088,097
Intergovernmental	-	-	-	-	-	644,441
Charges for services	-	-	-	-	-	18,926
Fines and forfeits	-	-	-	-	-	117,337
Other receipts	-	536	81,442	-	34,007	513,481
Total receipts	-	536	81,442	-	34,007	4,382,282
Disbursements:						
Personal services	-	-	35,207	-	-	2,554,514
Supplies	-	-	9,336	-	-	101,377
Other services and charges	-	-	36,093	-	-	753,487
Debt service - principal and interest	-	-	-	-	-	403,704
Capital outlay	-	1,686	-	86	-	690,015
Other disbursements	26	-	806	-	23,794	53,501
Total disbursements	26	1,686	81,442	86	23,794	4,556,598
Excess (deficiency) of receipts over disbursements	(26)	(1,150)	-	(86)	10,213	(174,316)
Cash and investments - ending	\$ -	\$ 536	\$ -	\$ -	\$ 11,529	\$ 2,242,449

MUNCIE-CENTER TOWNSHIP 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:			
General obligation bonds	Building renovation	\$ 2,885,000	\$ 396,091
Totals		<u>\$ 2,885,000</u>	<u>\$ 396,091</u>

MUNCIE-CENTER TOWNSHIP 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	\$ 29,510
Infrastructure	77,079
Buildings	8,886,058
Improvements other than buildings	187,500
Machinery, equipment and vehicles	1,320,761
Books and other	10,097,038
Total governmental activities	20,597,946
Total capital assets	\$ 20,597,946

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

CONTRACTS

In December 2011, the City of Muncie disbursed \$100,000 to the Library. The Library then disbursed the funds to the Muncie Action Plan. The check was disbursed to the Library because the Muncie Action Plan had not yet received their not-for-profit status. There was not a contract to support these transactions.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

MUNCIE-CENTER TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on October 29, 2012, with Virginia Nilles, Director; Beth Kroehler, Treasurer; and Roger Gilcrest, President of the Board. The officials concurred with our finding.