

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT

OF

AVON - WASHINGTON TOWNSHIP PUBLIC LIBRARY

HENDRICKS COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
08/07/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Laurel Setser	01-01-04–12-31-06
Treasurer	Janet Curry Celisa Snyder	01-01-04–12-31-04 01-01-05–12-30-06
President of the Board	David Sinclair	01-01-04–12-30-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE AVON - WASHINGTON TOWNSHIP  
PUBLIC LIBRARY, HENDRICKS COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Avon - Washington Township Public Library (Library), for the period of January 1, 2004 to December 31, 2005. The Library's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 26, 2006

AVON - WASHINGTON TOWNSHIP 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, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 31,547	\$ 1,113,018	\$ 1,035,309	\$ 109,255
Gift	6,312	5,553	10,859	1,006
Restricted		11,515	4,272	7,243
Rainy Day		123,420	22,189	101,231
Bond and Interest Redemption	67,694	777,067	583,505	261,257
Library Improvement Reserve	33,864	20,000	-	53,864
Library Capital Projects	107,976	42,908	100,176	50,707
Construction	1,367,707	17,257	813,392	571,572
Fiduciary Funds:				
Payroll Withholdings	-	26,277	25,211	1,066
PLAC	102	624	622	104
Totals	<u>\$ 1,615,201</u>	<u>\$ 2,137,639</u>	<u>\$ 2,595,535</u>	<u>\$ 1,157,305</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 109,255	\$ 971,132	\$ 936,221	\$ 144,166
Gift	1,006	4,273	4,974	305
Restricted	7,243	25,326	24,178	8,391
Rainy Day	101,231	7,459	48,774	59,916
Bond and Interest Redemption	261,257	562,576	556,347	267,486
Library Improvement Reserve	53,864	3,000	236	56,628
Library Capital Projects	50,707	171,536	100,417	121,826
Construction	571,572	8,761	112,927	467,407
Fiduciary Funds:				
Payroll Withholdings	1,066	13,358	13,200	1,224
PLAC	104	868	804	168
Totals	<u>\$ 1,157,305</u>	<u>\$ 1,768,289</u>	<u>\$ 1,798,078</u>	<u>\$ 1,127,517</u>

The accompanying notes are an integral part of the schedules.

AVON - WASHINGTON TOWNSHIP PUBLIC LIBRARY  
NOTES TO SCHEDULES

Note 1. Introduction

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

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.

AVON - WASHINGTON TOWNSHIP PUBLIC LIBRARY  
NOTES TO SCHEDULES  
(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. Long-Term Debt

The Library has issued bonds for a building. The outstanding principal at December 31, 2005, was \$4,325,000.

AVON - WASHINGTON TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on June 27, 2006, with Laurel Setser, Director; David Sinclair, President of the Board; and Diane Elmore, Financial Manager. Our examination disclosed no material items that warrant comment at this time.