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

EXAMINATION REPORT

OF

WANATAH PUBLIC LIBRARY

LAPORTE COUNTY, INDIANA

January 1, 2004 to December 31, 2005

FILED
08/23/2006

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OFFICIALS

Office	Official	Term
Director	Patricia Baum	01-01-04 to 12-31-06
Treasurer	Terry Condon	01-01-04 to 12-31-06
President of the Board	Ray Christoph	01-01-04 to 12-31-06

STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE WANATAH PUBLIC LIBRARY, LAPORTE COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Wanatah 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

July 19, 2006

WANATAH PUBLIC LIBRARY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL 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	$ 7,946	$ 72,186	$ 44,524	$ 35,608
Riverboat	5,000	5,700	700	10,000
Summer Reading	238	188	299	127
REMC Computer Roundup	2,000	-	2,000	-
Evening Bells Gift	800	700	1,500	-
Gift	-	140	90	50
Totals	$ 15,984	$ 78,914	$ 49,113	$ 45,785

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	$ 35,608	$ 27,474	$ 54,379	$ 8,703
Riverboat	10,000	5,000	2,155	12,845
Summer Reading	127	170	510	(213)
Gift	50	-	50	-
Edna Hunt Memorial	-	845	845	-
Totals	$ 45,785	$ 33,489	$ 57,939	$ 21,335

The accompanying notes are an integral part of the schedules.

WANATAH PUBLIC LIBRARY
NOTES TO SCHEDULES

Note 1. Introduction

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

WANATAH PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

CAPITAL ASSET RECORDS

As noted in prior reports, the library does not maintain a current listing of capital assets, which would include the inventory of all books, videos, furniture, etc. The unit purchased books, videos, magazines, etc. and sold used books. These transactions were not recorded in the capital asset ledger.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger form. A complete inventory should be taken every two years for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

WANATAH PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 3, 2006, with Ray Christoph, President of the Board; Terry Condon, Treasurer; and Patricia Baum, Director. The officials concurred with our finding.