

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

EXAMINATION REPORT  
OF  
CANNELTON PUBLIC LIBRARY  
PERRY COUNTY, INDIANA  
January 1, 2005 to December 31, 2006



**FILED**  
09/27/2007



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Sally Walker	01-01-05 to 12-31-07
Treasurer	Frank Maffia	01-01-05 to 12-31-07
President of the Board	Charles A. Gerber, Jr.	01-01-05 to 12-31-07



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CANNELTON PUBLIC LIBRARY, PERRY COUNTY, INDIANA

We have examined the financial information presented herein of the Cannelton Public Library (Library), for the period of January 1, 2005 to December 31, 2006. 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, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

July 16, 2007

CANNELTON PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 4,598	\$ 36,826	\$ 27,665	\$ 13,759
Gift	7,338	1,000	1,321	7,017
Daum Memorial	11,000	-	-	11,000
Young Memorial	2,739	-	-	2,739
Library Capital Projects	675	-	30	645
Totals	<u>\$ 26,350</u>	<u>\$ 37,826</u>	<u>\$ 29,016</u>	<u>\$ 35,160</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 13,759	\$ 29,146	\$ 29,463	\$ 13,442
Gift	7,017	1,900	803	8,114
Daum Memorial	11,000	-	-	11,000
Young Memorial	2,739	-	-	2,739
Library Capital Projects	645	-	-	645
Totals	<u>\$ 35,160</u>	<u>\$ 31,046</u>	<u>\$ 30,266</u>	<u>\$ 35,940</u>

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

CANNELTON 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 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.

CANNELTON PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

DEPOSITS

In numerous instances, receipts were deposited later than the next business day.

Indiana Code 5-13-6-1 (c) states in part: ". . . all local officers . . . who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. Public funds deposited under this subsection shall be deposited in the same form in which they were received."

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

Some officials or employees of the Library had money due from the Library, but a list of such employees was not certified to the County Treasurer.

Indiana Code 6-1.1-22-14(a) states in part: "On or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."

OFFICIAL BOND

The following official bond was not filed in the office of the County Recorder: Library Treasurer for the year 2006.

Indiana Code 36-12-2-22 states in part:

"(g) The treasurer shall give a surety bond for the faithful performance of the treasurer's duty and for the accurate accounting of all money coming into the treasurer's custody. The bond must be: . . .

(7) deposited in the office of the recorder of the county in which the library district is located."

PRESCRIBED FORM

The following prescribed or approved form was not always in use: General Form 350, Register of Investments. A similar comment was in the prior Report B24778.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CANNELTON PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 16, 2007, with Frank Maffia, Treasurer; and Sally Walker, Director. The officials concurred with our findings.