

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

EXAMINATION REPORT

OF

OSGOOD - CENTER TOWNSHIP PUBLIC LIBRARY

RIPLEY COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
12/31/2008



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Andrea Ingmire Patty Asche	01-01-06 to 10-16-08 10-17-08 to 12-31-08
Treasurer	Richard Parks	01-01-06 to 12-31-08
President of the Board	Eugene Pitts	01-01-06 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF OSGOOD - CENTER TOWNSHIP  
PUBLIC LIBRARY, RIPLEY COUNTY, INDIANA

We have examined the financial information presented herein of Osgood - Center Township Public Library (Library), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

November 13, 2008

OSGOOD - CENTER 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 262,200	\$ 368,473	\$ 431,888	\$ 198,785
Gift	7,404	17,290	12,014	12,680
Rainy Day	57,362	35,500	30,001	62,861
Grant	48,042	39,324	85,140	2,226
Bond Grant	-	125,000	-	125,000
Bond and Interest Redemption	197,997	37,455	69,149	166,303
Library Improvement Reserve	88,215	5,400	37,534	56,081
ISLIC Grant	-	4,152	-	4,152
Construction	574,330	12,456	586,786	-
Fiduciary Funds:				
Payroll Withholdings	-	-	-	-
PLAC	84	558	518	124
Totals	<u>\$ 1,235,634</u>	<u>\$ 645,608</u>	<u>\$ 1,253,030</u>	<u>\$ 628,212</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 198,785	\$ 219,190	\$ 318,479	\$ 99,496
Gift	12,680	12,821	12,826	12,675
Rainy Day	62,861	2,685	7,885	57,661
Grant	2,226	13,500	9,876	5,850
Bond Grant	125,000	127,516	23,682	228,834
Bond and Interest Redemption	166,303	1,237	167,232	308
Library Improvement Reserve	56,081	2,233	-	58,314
ISLIC Grant	4,152	6,360	5,212	5,300
LSTA Grant	-	800	800	-
Fiduciary Funds:				
Payroll Withholdings	-	43,868	43,668	200
PLAC	124	512	605	31
Totals	<u>\$ 628,212</u>	<u>\$ 430,722</u>	<u>\$ 590,265</u>	<u>\$ 468,669</u>

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

OSGOOD - CENTER TOWNSHIP 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.

Note 6. Milan Library Facility

The Library is in the planning process of constructing a new library facility in the Town of Milan. The project costs are estimated at \$1,482,530, to be funded by grants and construction bonds.

OSGOOD - CENTER TOWNSHIP PUBLIC LIBRARY  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Bonds payable:		
2005 Library renovations	\$ 1,175,000	\$ 194,365

Note: The Reynolds Foundation, Inc. makes an annual donation of \$125,000 to the Library to be used towards the principal payment of the outstanding bonds.

OSGOOD - CENTER TOWNSHIP PUBLIC LIBRARY  
EXAMINATION RESULTS AND COMMENTS

CAPITAL ASSET RECORDS

The Library does not maintain detailed capital asset records.

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. 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)

OFFICIAL BOND

The Treasurer's official bond was not filed in the Office of the County Recorder.

Indiana Code 36-12-2-22(g) states in part: "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 . . . deposited in the office of the recorder of the county in which the library district is located."

DEPOSITS

Receipts examined showed instances of receipts being deposited 6 to 14 days after the date the collections were received.

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."

A similar comment was reported in the prior Report B29193.

OSGOOD - CENTER TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on November 13, 2008, with Richard Parks, Treasurer; and Patty Asche, Director. The officials concurred with our findings.