

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

EXAMINATION REPORT
OF
CARMEL CLAY PUBLIC LIBRARY
HAMILTON COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
12/30/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Wendy Phillips	07-01-06 to 06-30-09
Treasurer	Jack Stafford Thomas Kapostasy	07-01-06 to 06-30-07 07-01-07 to 06-30-10
President of the Board	William Wiebenga, Ph.D. James W. Hehner	07-01-06 to 06-30-09 07-01-09 to 06-30-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CARMEL CLAY PUBLIC LIBRARY, HAMILTON COUNTY, INDIANA

We have examined the financial information presented herein of the Carmel Clay Public Library (Library), for the period of January 1, 2007 to December 31, 2008. 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, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

November 4, 2009

CARMEL CLAY 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, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 3,133,901	\$ 4,639,038	\$ 4,759,309	\$ 3,013,630
Gift	159,797	206,000	126,214	239,583
Rainy Day	-	599,891	-	599,891
Grant	5,400	13,785	8,652	10,533
Levy Excess	723	-	723	-
Bond and Interest Redemption	790,100	1,575,209	1,616,000	749,309
Library Improvement Reserve	503,898	-	-	503,898
Library Capital Projects	-	707,171	263,765	443,406
Fiduciary Funds:				
Payroll Withholdings	4,188	688,294	687,458	5,024
PLAC	4,309	18,001	18,589	3,721
Totals	<u>\$ 4,602,316</u>	<u>\$ 8,447,389</u>	<u>\$ 7,480,710</u>	<u>\$ 5,568,995</u>
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 3,013,630	\$ 5,125,962	\$ 4,865,621	\$ 3,273,971
Gift	239,583	179,950	152,789	266,744
Rainy Day	599,891	233,943	-	833,834
Grant	10,533	12,870	10,533	12,870
Bond and Interest Redemption	749,309	1,717,015	1,645,000	821,324
Library Improvement Reserve	503,898	250,000	-	753,898
Library Capital Projects	443,406	1,048,850	433,172	1,059,084
Fiduciary Funds:				
Payroll Withholdings	5,024	704,784	707,181	2,627
PLAC	3,721	17,521	18,092	3,150
Totals	<u>\$ 5,568,995</u>	<u>\$ 9,290,895</u>	<u>\$ 7,832,388</u>	<u>\$ 7,027,502</u>

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

CARMEL CLAY PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: public safety, health and social services, 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 or highway use taxes are received 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.

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.

CARMEL CLAY PUBLIC LIBRARY
NOTES TO FINANCIAL INFORMATION
(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.

CARMEL CLAY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2008

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.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 863,932
Buildings	15,470,617
Improvements other than buildings	1,177,720
Machinery and equipment	10,703,630
Construction in progress	<u>48,440</u>
 Total capital assets, not being depreciated	 <u><u>\$ 28,264,339</u></u>

CARMEL CLAY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2008

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
Library building lease	\$ 15,465,000	\$ 1,671,000
 Total governmental activities debt	 \$ 15,465,000	 \$ 1,671,000

CARMEL CLAY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on November 4, 2009, with Wendy Phillips, Director; and Ron Brockett, Business Manager. Our examination disclosed no material items that warrant comment at this time.