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

EXAMINATION REPORT
OF

FRANCESVILLE-SALEM TOWNSHIP
PUBLIC LIBRARY
PULASKI COUNTY, INDIANA

January 1, 2008 to December 31, 2009



FILED
05/10/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Helen Vollmer	01-01-08 to 12-31-10
Treasurer	Ronald Kruger Mary Finley Gutwein	07-01-07 to 11-30-09 12-01-09 to 06-30-10
President of the Board	Susan Schultz	07-01-07 to 06-30-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF FRANCESVILLE-SALEM TOWNSHIP
PUBLIC LIBRARY, PULASKI COUNTY, INDIANA

We have examined the financial information presented herein of Francesville-Salem Township Public Library (Library), for the period of January 1, 2008 to December 31, 2009. 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, 2008 and 2009, 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

March 30, 2010

FRANCESVILLE-SALEM 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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 23,176	\$ 169,354	\$ 174,993	\$ 17,537
Gift	8,610	20,009	4,000	24,619
Rainy Day	-	1,807	-	1,807
Levy Excess	837	-	837	-
Lease Rental Payment	16,552	62,056	51,760	26,848
Library Improvement Reserve	42,027	26,412	23,000	45,439
Library Capital Projects	7,021	10,516	7,370	10,167
Doris Petra Scholarship	8,258	272	400	8,130
Fiduciary Fund:				
Payroll Withholdings	-	18,470	18,470	-
Totals	<u>\$ 106,481</u>	<u>\$ 308,896</u>	<u>\$ 280,830</u>	<u>\$ 134,547</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 17,537	\$ 171,656	\$ 165,073	\$ 24,120
Gift	24,619	19,300	18,814	25,105
Rainy Day	1,807	1,816	1,807	1,816
Lease Rental Payment	26,848	51,518	50,760	27,606
Library Improvement Reserve	45,439	20,076	17,000	48,515
Library Capital Projects	10,167	1,840	9,500	2,507
Doris Petra Scholarship	8,130	161	-	8,291
Fiduciary Fund:				
Payroll Withholdings	-	18,484	18,484	-
Totals	<u>\$ 134,547</u>	<u>\$ 284,851</u>	<u>\$ 281,438</u>	<u>\$ 137,960</u>

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

FRANCESVILLE-SALEM 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 the following 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 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.

FRANCESVILLE-SALEM TOWNSHIP PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 1,300
Buildings	851,793
Improvements other than buildings	16,606
Machinery and equipment	<u>321,708</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 1,191,407</u>

FRANCESVILLE-SALEM TOWNSHIP PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
General obligation bonds:		
Library Expansion/Renovation	\$ 370,000	\$ 45,716

FRANCESVILLE-SALEM TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on March 30, 2010, with Mary Finley Gutwein, Treasurer; and Helen Vollmer, Director. Our examination disclosed no material items that warrant comment at this time.