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

EXAMINATION REPORT
OF
CENTERVILLE-CENTER TOWNSHIP PUBLIC LIBRARY
WAYNE COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
12/09/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report.....	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information	5-6
Supplementary Information:	
Schedule of Capital Assets.....	7
Schedule of Long-Term Debt	8
Examination Results and Comments:	
Annual Report.....	9
Appropriations.....	9
Exit Conference.....	10

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Marie Bunch Beth Treaster	01-01-08 to 06-30-09 07-01-09 to 12-31-10
Treasurer	Kathryn A. Stephen	01-01-08 to 12-31-10
President of the Board	Robert Land Doug Eliason Kathleen Baumer	01-01-08 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CENTERVILLE-CENTER TOWNSHIP
PUBLIC LIBRARY, WAYNE COUNTY, INDIANA

We have examined the financial information presented herein of the Centerville-Center 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 a required part 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

October 5, 2010

CENTERVILLE-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, 2008 And 2009

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
General	\$ 59,576	\$ 282,907	\$ 258,583	\$ 83,900
Gift	5,824	7,525	4,847	8,502
Jones Trust	5,845	192	-	6,037
Martin Trust	2,099	-	-	2,099
Rainy Day	1,953	7,000	-	8,953
ISL Technology Grant	-	216	216	-
Debt Service	86,549	139,073	178,706	46,916
Library Improvement Reserve	508	-	-	508
Library Capital Projects	85,265	56,841	57,764	84,342
Fiduciary Fund:				
PLAC	225	90	120	195
Totals	<u>\$ 247,844</u>	<u>\$ 493,844</u>	<u>\$ 500,236</u>	<u>\$ 241,452</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 83,900	\$ 277,137	\$ 204,758	\$ 156,279
Gift	8,502	3,086	3,564	8,024
Jones Trust	6,037	94	-	6,131
Martin Trust	2,099	-	-	2,099
Rainy Day	8,953	-	-	8,953
Debt Service	46,916	220,200	203,301	63,815
Library Improvement Reserve	508	-	-	508
Library Capital Projects	84,342	50,157	57,359	77,140
Fiduciary Fund:				
PLAC	195	30	-	225
Totals	<u>\$ 241,452</u>	<u>\$ 550,704</u>	<u>\$ 468,982</u>	<u>\$ 323,174</u>

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

CENTERVILLE-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 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.

CENTERVILLE-CENTER TOWNSHIP 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.

Note 7. Subsequent Event

In 2010, the Centerville-Center Township Public Library Building Corporation refinanced the bonds for the Library.

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

This Library has no general infrastructure assets.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 160,000
Buildings	1,760,296
Improvements other than buildings	100,263
Machinery and equipment	<u>914,595</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 2,935,154</u>

CENTERVILLE-CENTER 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:		
Capital lease:	\$ 1,403,130	\$ 178,700

CENTERVILLE-CENTER TOWNSHIP PUBLIC LIBRARY
EXAMINATION RESULTS AND COMMENTS

ANNUAL REPORT

An Annual Report for 2008 was not prepared until May 3, 2010. The Annual Reports prepared for both 2008 and 2009 did not agree to actual transactions.

IC 5-11-1-4 states:

"The state examiner shall require from every municipality and every state or local governmental unit, entity, or instrumentality financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be filed electronically, in a manner prescribed by the state examiner that is compatible with the technology employed by the political subdivision."

APPROPRIATIONS

The following expenditures were in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Library Capital Projects	2009	<u>\$ 1,758</u>

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

CENTERVILLE-CENTER TOWNSHIP PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on October 7, 2010, with Beth Treaster, Director, and Kathryn A. Stephen, Treasurer. The officials concurred with our findings.