

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

FINANCIAL STATEMENT EXAMINATION REPORT

OF

MARION PUBLIC LIBRARY

GRANT COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
09/20/2012



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mary T. Eckerle	01-01-10 to 12-31-12
Treasurer	Kelly M. Turner	01-01-10 to 12-31-12
President of the Board	Dwight Ott Debra C. Enyeart	01-01-10 to 12-31-10 01-01-11 to 12-31-12



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MARION PUBLIC LIBRARY, GRANT COUNTY, INDIANA

We have examined the financial statements of the Marion Public Library (Library), for the period of January 1, 2010 to December 31, 2011. The Library's management is responsible for the financial statements. 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 statements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis noted above is a different basis than that used in the prior year.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Library for the years ended December 31, 2010 and 2011, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Library's management, Library Board, and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

STATE BOARD OF ACCOUNTS

July 3, 2012

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## FINANCIAL STATEMENTS

The financial statements and accompanying notes were approved by management of the Library. The financial statements and notes are presented as intended by the Library.

MARION PUBLIC LIBRARY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2010

Fund	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Library Operating	\$ 709,454	\$ 1,762,656	\$ 1,653,048	\$ 819,062
Petty Cash and Change	1,500	-	-	1,500
Grants	2,225	2,000	494	3,731
State Technology Fund Grant	3,360	-	2,985	375
Gift, Endowment and Memorial	41,651	14,681	13,345	42,987
Rainy Day	25,000	-	-	25,000
Webster Gift	215,643	57,905	21,588	251,960
Erlewine Gift	73,676	661	-	74,337
Pulley Gift	43,928	396	-	44,324
Swope Gift	63,077	568	-	63,645
Modlin Gift	122,593	1,107	-	123,700
Levy Excess	-	5,237	-	5,237
Lease Rental	302,372	755,886	738,000	320,258
Jay House Construction	644	-	457	187
Library Improvement Reserve	196,450	25,000	78,464	142,986
Payroll Deductions	-	249,801	249,801	-
PLAC	240	2,250	2,190	300
Totals	<u>\$ 1,801,813</u>	<u>\$ 2,878,148</u>	<u>\$ 2,760,372</u>	<u>\$ 1,919,589</u>

The notes to the financial statements are an integral part of this statement.

MARION PUBLIC LIBRARY  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For The Year Ended December 31, 2011

Fund	Cash and Investments 01-01-11	Receipts	Disbursements	Cash and Investments 12-31-11
Library Operating	\$ 819,062	\$ 1,754,703	\$ 1,605,832	\$ 967,933
Rainy Day	25,000	-	-	25,000
Levy Excess	5,237	-	5,237	-
Library Improvement Reserve	142,986	140,074	77,368	205,692
PLAC	300	2,050	1,800	550
Petty Cash and Change	1,500	-	-	1,500
Grants	3,731	750	2,445	2,036
State Technology Fund Grant	375	5,083	2,774	2,684
Gift, Endowment and Memorial	42,987	12,522	11,527	43,982
Webster Gift	251,960	62,887	16,505	298,342
Erlewine Gift	74,337	504	1	74,840
Pulley Gift	44,324	299	1	44,622
Swope Gift	63,645	431	1	64,075
Modlin Gift	123,700	842	1	124,541
Lease Rental	320,258	78,410	369,000	29,668
Jay House Construction	187	-	-	187
Payroll Deductions	-	241,028	237,365	3,663
Totals	<u>\$ 1,919,589</u>	<u>\$ 2,299,583</u>	<u>\$ 2,329,857</u>	<u>\$ 1,889,315</u>

The notes to the financial statements are an integral part of this statement.

MARION PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS

**Note 1. Summary of Significant Accounting Policies**

*A. Reporting Entity*

The Library was established under the laws of the State of Indiana. The Library operates under an appointed governing board and provides culture services.

The accompanying financial statements present the financial information for the Library.

*B. Basis of Accounting*

The financial statements are reported on a regulatory basis of accounting prescribed by the State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

*C. Cash and Investments*

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

*D. Receipts*

Receipts are presented in the aggregate on the face of the financial statements. The aggregate receipts may include the following sources:

Taxes which can include one or more of the following: property taxes, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeepers tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the Library.

Intergovernmental receipts which include receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts include, but are not limited to: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distribution received from the state, local road and street distribution received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services which can include, but are not limited to the following: planning commission charges, building department charges, copies of public records, copy machine charges, accident report copies, gun permit applications, 911 telephone services, recycling

MARION PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable tv receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits which include receipts derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Other receipts which include amounts received from various sources which can include, but are not limited to the following: net proceeds from borrowings, interfund loan activity, transfers authorized by statute, ordinance, resolution or court order, internal service receipts, and fiduciary receipts.

*E. Disbursements*

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include the following uses:

Personal services include outflows for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

Supplies which include articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include office supplies, operating supplies, and repair and maintenance supplies.

Other services and charges which include, but are not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

Debt service principal and interest which include fixed obligations resulting from financial transactions previously entered into by the Library. It includes all expenditures for the reduction of the principal and interest of the Library's general obligation indebtedness.

Capital outlay which include all outflows for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

Other disbursements which include, but are not limited to the following: interfund loan payments, loans made to other funds, internal service disbursements, and transfers out that are authorized by statute, ordinance, resolution, or court order.

*F. Interfund Transfers*

The Library may, from time to time, transfer money from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

MARION PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

*G. Fund Accounting*

Separate funds are established, maintained, and reported by the Library. Each fund is used to account for money received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the Library. The money accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the Library in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and therefore the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the Library submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the Library in June and December; however, situations can arise which would delay the distributions. 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 percent 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 normally become delinquent if not paid by May 10 and November 10, respectively.

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be 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 statutes authorize 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.

MARION PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 5. Risk Management**

The Library may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third party. The establishment of a self-insurance fund allows the Library to set aside money for claim settlements. The self-insurance fund would be included in the financial statements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks. These risks may also be mitigated by the Library by recording as a disbursement any replacement items purchased.

**Note 6. Pension Plan**

*Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund (PERF) is 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 Indiana Public Retirement System (INPRS) 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 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS 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:

Indiana Public Retirement System  
1 North Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687

*Funding Policy and Annual Pension Cost*

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

MARION PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**Note 7. Donated Equity Stock**

The Library received a donation on November 24, 1967, in memory of George Webster. This donation is restricted for use in the Children's Department. The donation consisted of 80 shares of Phillip Morris, Incorporated stock, with a par value of \$1 per share. The stock has split on numerous occasions. In 2003, Phillip Morris, Incorporated changed their name to Altria Group, Incorporated. In 2007, Kraft Foods, Incorporated was spun-off from Altria Group, Incorporated.

On December 31, 2011, the Library held 12,360 shares of Phillip Morris International, Incorporated stock; 12,360 shares of Altria Group, Incorporated stock; and 8,553 shares of Kraft Foods, Incorporated stock with a market value of \$1,656,026. This equity stock is not included in the financial statements.

## SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Library's 2010 Annual Report can be found on the Indiana Transparency Portal website: [www.in.gov/itp/annual\\_reports/](http://www.in.gov/itp/annual_reports/).

For additional financial information, the Library's 2011 Annual Report information can be found on the Gateway website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statements contained in this report and the financial information presented in the Annual Reports of the Library which are referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the examination. This is a common occurrence in any financial statement examination. The financial information presented in this report is examined information, and the accuracy of such information can be determined by reading the opinion given in the Independent Accountant's Report.

The supplementary information presented was approved by management of the Library. It is presented as intended by the Library.

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010

	Library Operating	Petty Cash and Change	Grants	State Technology Fund Grant	Gift, Endowment and Memorial	Rainy Day
Cash and investments - beginning	\$ 709,454	\$ 1,500	\$ 2,225	\$ 3,360	\$ 41,651	\$ 25,000
Receipts:						
Taxes	1,213,232	-	-	-	-	-
Intergovernmental	480,202	-	2,000	-	-	-
Charges for services	9,140	-	-	-	-	-
Fines and forfeits	45,155	-	-	-	-	-
Other receipts	14,927	-	-	-	14,681	-
Total receipts	<u>1,762,656</u>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>14,681</u>	<u>-</u>
Disbursements:						
Personal services	1,088,127	-	-	-	-	-
Supplies	40,951	-	-	-	-	-
Other services and charges	316,080	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	207,879	-	-	-	-	-
Other disbursements	11	-	494	2,985	13,345	-
Total disbursements	<u>1,653,048</u>	<u>-</u>	<u>494</u>	<u>2,985</u>	<u>13,345</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>109,608</u>	<u>-</u>	<u>1,506</u>	<u>(2,985)</u>	<u>1,336</u>	<u>-</u>
Cash and investments - ending	<u>\$ 819,062</u>	<u>\$ 1,500</u>	<u>\$ 3,731</u>	<u>\$ 375</u>	<u>\$ 42,987</u>	<u>\$ 25,000</u>

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Webster Gift	Erlewine Gift	Pulley Gift	Swope Gift	Modlin Gift	Levy Excess
Cash and investments - beginning	\$ 215,643	\$ 73,676	\$ 43,928	\$ 63,077	\$ 122,593	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	57,905	661	396	568	1,107	5,237
Total receipts	<u>57,905</u>	<u>661</u>	<u>396</u>	<u>568</u>	<u>1,107</u>	<u>5,237</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	21,588	-	-	-	-	-
Total disbursements	<u>21,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>36,317</u>	<u>661</u>	<u>396</u>	<u>568</u>	<u>1,107</u>	<u>5,237</u>
Cash and investments - ending	<u>\$ 251,960</u>	<u>\$ 74,337</u>	<u>\$ 44,324</u>	<u>\$ 63,645</u>	<u>\$ 123,700</u>	<u>\$ 5,237</u>

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2010  
 (Continued)

	Lease Rental	Jay House Construction	Library Improvement Reserve	Payroll Deductions	PLAC	Totals
Cash and investments - beginning	\$ 302,372	\$ 644	\$ 196,450	\$ -	\$ 240	\$ 1,801,813
Receipts:						
Taxes	755,886	-	-	-	-	1,969,118
Intergovernmental	-	-	-	-	-	482,202
Charges for services	-	-	-	-	-	9,140
Fines and forfeits	-	-	-	-	-	45,155
Other receipts	-	-	25,000	249,801	2,250	372,533
Total receipts	<u>755,886</u>	<u>-</u>	<u>25,000</u>	<u>249,801</u>	<u>2,250</u>	<u>2,878,148</u>
Disbursements:						
Personal services	-	-	-	-	-	1,088,127
Supplies	-	-	-	-	-	40,951
Other services and charges	-	-	-	-	-	316,080
Debt service - principal and interest	738,000	-	-	-	-	738,000
Capital outlay	-	-	-	-	-	207,879
Other disbursements	-	457	78,464	249,801	2,190	369,335
Total disbursements	<u>738,000</u>	<u>457</u>	<u>78,464</u>	<u>249,801</u>	<u>2,190</u>	<u>2,760,372</u>
Excess (deficiency) of receipts over disbursements	<u>17,886</u>	<u>(457)</u>	<u>(53,464)</u>	<u>-</u>	<u>60</u>	<u>117,776</u>
Cash and investments - ending	<u>\$ 320,258</u>	<u>\$ 187</u>	<u>\$ 142,986</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 1,919,589</u>

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011

	Library Operating	Rainy Day	Levy Excess	Library Improvement Reserve	PLAC	Petty Cash and Change
Cash and investments - beginning	\$ 819,062	\$ 25,000	\$ 5,237	\$ 142,986	\$ 300	\$ 1,500
Receipts:						
Taxes	1,157,845	-	-	-	-	-
Intergovernmental	515,786	-	-	-	-	-
Charges for services	34,904	-	-	-	2,050	-
Fines and forfeits	45,300	-	-	-	-	-
Other receipts	868	-	-	140,074	-	-
Total receipts	<u>1,754,703</u>	<u>-</u>	<u>-</u>	<u>140,074</u>	<u>2,050</u>	<u>-</u>
Disbursements:						
Personal services	1,062,705	-	-	-	-	-
Supplies	42,511	-	-	-	-	-
Other services and charges	277,375	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	198,241	-	-	34,900	-	-
Other disbursements	25,000	-	5,237	42,468	1,800	-
Total disbursements	<u>1,605,832</u>	<u>-</u>	<u>5,237</u>	<u>77,368</u>	<u>1,800</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>148,871</u>	<u>-</u>	<u>(5,237)</u>	<u>62,706</u>	<u>250</u>	<u>-</u>
Cash and investments - ending	<u>\$ 967,933</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 205,692</u>	<u>\$ 550</u>	<u>\$ 1,500</u>

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Grants	State Technology Fund Grant	Gift, Endowment and Memorial	Webster Gift	Erlewine Gift	Pulley Gift
Cash and investments - beginning	\$ 3,731	\$ 375	\$ 42,987	\$ 251,960	\$ 74,337	\$ 44,324
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	750	5,083	12,522	62,887	504	299
Total receipts	750	5,083	12,522	62,887	504	299
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	2,356	2,774	1,270	8,566	1	1
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	89	-	3,672	3,238	-	-
Other disbursements	-	-	6,585	4,701	-	-
Total disbursements	2,445	2,774	11,527	16,505	1	1
Excess (deficiency) of receipts over disbursements	(1,695)	2,309	995	46,382	503	298
Cash and investments - ending	\$ 2,036	\$ 2,684	\$ 43,982	\$ 298,342	\$ 74,840	\$ 44,622

MARION PUBLIC LIBRARY  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND  
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS  
 For The Year Ended December 31, 2011  
 (Continued)

	Swope Gift	Modlin Gift	Lease Rental	Jay House Construction	Payroll Deductions	Totals
Cash and investments - beginning	\$ 63,645	\$ 123,700	\$ 320,258	\$ 187	\$ -	\$ 1,919,589
Receipts:						
Taxes	-	-	33,841	-	-	1,191,686
Intergovernmental	-	-	2,101	-	-	517,887
Charges for services	-	-	-	-	-	36,954
Fines and forfeits	-	-	-	-	-	45,300
Other receipts	431	842	42,468	-	241,028	507,756
Total receipts	431	842	78,410	-	241,028	2,299,583
Disbursements:						
Personal services	-	-	-	-	-	1,062,705
Supplies	-	-	-	-	-	42,511
Other services and charges	1	1	-	-	-	292,345
Debt service - principal and interest	-	-	369,000	-	-	369,000
Capital outlay	-	-	-	-	-	240,140
Other disbursements	-	-	-	-	237,365	323,156
Total disbursements	1	1	369,000	-	237,365	2,329,857
Excess (deficiency) of receipts over disbursements	430	841	(290,590)	-	3,663	(30,274)
Cash and investments - ending	\$ 64,075	\$ 124,541	\$ 29,668	\$ 187	\$ 3,663	\$ 1,889,315

MARION PUBLIC LIBRARY  
SCHEDULE OF CAPITAL ASSETS  
December 31, 2011

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>Ending Balance</u>
Governmental activities:	
Land	\$ 659,600
Buildings	5,148,566
Improvements other than buildings	174,708
Machinery, equipment and vehicles	<u>7,446,576</u>
Total capital assets	<u>\$ 13,429,450</u>

MARION PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

***PRESCRIBED FORMS – LIBRARY ANNUAL REPORT***

An error correction between the State Technology Fund Grant and the Library Operating Fund was posted to the records on January 31, 2011, in the amount of \$2,265. However, this transaction was included in the 2010 Library Annual Report. Also, the Library Operating Fund balance reported on the 2010 Library Annual Report at December 31, 2010, did not agree with the same fund balance at January 1, 2011, on the 2011 Library Annual Report.

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)

MARION PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on July 3, 2012, with Mary T. Eckerle, Director; Jonie L. Riddle, Business Manager; Kelly M. Turner, Treasurer; and Debra C. Enyeart, President of the Board. The officials concurred with our finding.