

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

FINANCIAL STATEMENTS EXAMINATION REPORT

OF

LAGRANGE COUNTY PUBLIC LIBRARY

LAGRANGE COUNTY, INDIANA

January 1, 2010 to December 31, 2011



**FILED**  
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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mary Hooley	01-01-10 to 12-31-12
Treasurer	Amber Taylor, CPA	01-01-10 to 12-31-12
President of the Board	Diane Cameron Jerry White	01-01-10 to 12-31-11 01-01-12 to 12-31-12



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE LAGRANGE COUNTY PUBLIC LIBRARY, LAGRANGE COUNTY, INDIANA

We have examined the accompanying financial statements of the LaGrange County Public Library (Library), for the years ended December 31, 2010 and 2011. The financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on the financial statements 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.

Our examination was conducted for the purpose of forming an opinion on the Library's financial statements. The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, Schedule of Debt, 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.

The Library's response to the Examination Result and Comment identified in our examination is described in the accompanying section of the report entitled Official Response. We did not examine the Library's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Library's management, Board of Trustees, 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

October 30, 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.

LAGRANGE COUNTY 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
General	\$ 369,401	\$ 833,453	\$ 843,495	\$ 359,359
Petty Cash/Change Fund	145	-	-	145
Gift	9,798	13,870	3,076	20,592
Rainy Day	98,202	266,665	108,938	255,929
Levy Excess	-	1,770	-	1,770
Debt Service	-	742,029	291,181	450,848
Library Improvement Reserve	256,999	438,352	66,741	628,610
Topeka Branch Construction	244,057	1,005,754	1,249,811	-
Lagrange Construction Fund	5,572,509	1,538,352	3,573,702	3,537,159
Dekko Foundation Grant	1,933	522	-	2,455
Grant Fund	510	-	-	510
PLAC	-	150	150	-
McClaskey Trust	2,000	-	-	2,000
Totals	<u>\$ 6,555,554</u>	<u>\$ 4,840,917</u>	<u>\$ 6,137,094</u>	<u>\$ 5,259,377</u>

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

LAGRANGE COUNTY 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
General	\$ 359,359	\$ 793,403	\$ 782,128	\$ 370,634
Petty Cash/Change Fund	145	-	-	145
Rainy Day	255,929	637	91,554	165,012
Levy Excess	1,770	-	1,770	-
Library Improvement Reserve	628,610	27,378	66,894	589,094
Self - Insurance	-	24,824	-	24,824
Gift	20,592	20,311	13,567	27,336
Debt Service	450,848	455,210	771,407	134,651
LaGrange Construction Fund	3,537,159	12,790	2,781,152	768,797
Dekko Foundation Grant	2,455	1,016	749	2,722
Grant Fund	510	-	-	510
PLAC	-	300	300	-
McClaskey Trust	2,000	-	-	2,000
Totals	<u>\$ 5,259,377</u>	<u>\$ 1,335,869</u>	<u>\$ 4,509,521</u>	<u>\$ 2,085,725</u>

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

LAGRANGE COUNTY 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 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: copies of public records, copy machine charges, and fines and fees.

LAGRANGE COUNTY PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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 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, over-time 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.

LAGRANGE COUNTY 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.

**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.

LAGRANGE COUNTY PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

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.

**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.

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## 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.

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

	General	Petty Cash/ Change Fund	Gift	Rainy Day	Levy Excess	Debt Service	Library Improvement Reserve
Cash and investments - beginning	\$ 369,401	\$ 145	\$ 9,798	\$ 98,202	\$ -	\$ -	\$ 256,999
Receipts:							
Taxes	543,280	-	-	-	-	694,402	-
Intergovernmental	257,583	-	-	9,691	-	47,627	-
Charges for services	4,474	-	-	-	-	-	-
Fines and forfeits	22,917	-	-	-	-	-	-
Other receipts	5,199	-	13,870	256,974	1,770	-	438,352
Total receipts	<u>833,453</u>	<u>-</u>	<u>13,870</u>	<u>266,665</u>	<u>1,770</u>	<u>742,029</u>	<u>438,352</u>
Disbursements:							
Personal services	480,256	-	-	-	-	-	-
Supplies	12,921	-	-	-	-	-	-
Other services and charges	157,623	-	-	-	-	-	7,167
Debt service - principal and interest	-	-	-	-	-	291,181	-
Capital outlay	72,722	-	3,076	108,938	-	-	59,574
Other disbursements	119,973	-	-	-	-	-	-
Total disbursements	<u>843,495</u>	<u>-</u>	<u>3,076</u>	<u>108,938</u>	<u>-</u>	<u>291,181</u>	<u>66,741</u>
Excess (deficiency) of receipts over disbursements	<u>(10,042)</u>	<u>-</u>	<u>10,794</u>	<u>157,727</u>	<u>1,770</u>	<u>450,848</u>	<u>371,611</u>
Cash and investments - ending	<u>\$ 359,359</u>	<u>\$ 145</u>	<u>\$ 20,592</u>	<u>\$ 255,929</u>	<u>\$ 1,770</u>	<u>\$ 450,848</u>	<u>\$ 628,610</u>

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

	Topeka Branch Construction	Lagrange Construction Fund	Dekko Foundation Grant	Grant Fund	PLAC	McClaskey Trust	Totals
Cash and investments - beginning	\$ 244,057	\$ 5,572,509	\$ 1,933	\$ 510	\$ -	\$ 2,000	\$ 6,555,554
Receipts:							
Taxes	-	-	-	-	-	-	1,237,682
Intergovernmental	-	-	-	-	-	-	314,901
Charges for services	-	-	-	-	-	-	4,474
Fines and forfeits	-	-	-	-	-	-	22,917
Other receipts	1,005,754	1,538,352	522	-	150	-	3,260,943
Total receipts	<u>1,005,754</u>	<u>1,538,352</u>	<u>522</u>	<u>-</u>	<u>150</u>	<u>-</u>	<u>4,840,917</u>
Disbursements:							
Personal services	-	-	-	-	-	-	480,256
Supplies	-	-	-	-	150	-	13,071
Other services and charges	-	-	-	-	-	-	164,790
Debt service - principal and interest	-	-	-	-	-	-	291,181
Capital outlay	1,014,322	2,369,027	-	-	-	-	3,627,659
Other disbursements	235,489	1,204,675	-	-	-	-	1,560,137
Total disbursements	<u>1,249,811</u>	<u>3,573,702</u>	<u>-</u>	<u>-</u>	<u>150</u>	<u>-</u>	<u>6,137,094</u>
Excess (deficiency) of receipts over disbursements	<u>(244,057)</u>	<u>(2,035,350)</u>	<u>522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,296,177)</u>
Cash and investments - ending	<u>\$ -</u>	<u>\$ 3,537,159</u>	<u>\$ 2,455</u>	<u>\$ 510</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 5,259,377</u>

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

	General	Petty Cash/ Change Fund	Rainy Day	Levy Excess	Library Improvement Reserve	Self-Insurance	Gift
Cash and investments - beginning	\$ 359,359	\$ 145	\$ 255,929	\$ 1,770	\$ 628,610	\$ -	\$ 20,592
Receipts:							
Taxes	550,313	-	-	-	-	-	-
Intergovernmental	207,248	-	-	-	-	-	-
Charges for services	32,404	-	-	-	-	-	-
Other receipts	3,438	-	637	-	27,378	24,824	20,311
Total receipts	793,403	-	637	-	27,378	24,824	20,311
Disbursements:							
Personal services	533,398	-	-	-	-	-	-
Supplies	18,124	-	-	-	-	-	-
Other services and charges	161,877	-	-	-	8,108	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	62,714	-	91,554	-	58,786	-	-
Other disbursements	6,015	-	-	1,770	-	-	13,567
Total disbursements	782,128	-	91,554	1,770	66,894	-	13,567
Excess (deficiency) of receipts over disbursements	11,275	-	(90,917)	(1,770)	(39,516)	24,824	6,744
Cash and investments - ending	\$ 370,634	\$ 145	\$ 165,012	\$ -	\$ 589,094	\$ 24,824	\$ 27,336

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

	Debt Service	LaGrange Construction Fund	Dekko Foundation Grant	Grant Fund	PLAC	McClaskey Trust	Totals
Cash and investments - beginning	\$ 450,848	\$ 3,537,159	\$ 2,455	\$ 510	\$ -	\$ 2,000	\$ 5,259,377
Receipts:							
Taxes	429,057	-	-	-	-	-	979,370
Intergovernmental	26,153	-	-	-	-	-	233,401
Charges for services	-	-	-	-	-	-	32,404
Other receipts	-	12,790	1,016	-	300	-	90,694
Total receipts	455,210	12,790	1,016	-	300	-	1,335,869
Disbursements:							
Personal services	-	-	-	-	-	-	533,398
Supplies	-	-	-	-	-	-	18,124
Other services and charges	-	-	-	-	-	-	169,985
Debt service - principal and interest	771,407	-	-	-	-	-	771,407
Capital outlay	-	2,781,152	-	-	-	-	2,994,206
Other disbursements	-	-	749	-	300	-	22,401
Total disbursements	771,407	2,781,152	749	-	300	-	4,509,521
Excess (deficiency) of receipts over disbursements	(316,197)	(2,768,362)	267	-	-	-	(3,173,652)
Cash and investments - ending	\$ 134,651	\$ 768,797	\$ 2,722	\$ 510	\$ -	\$ 2,000	\$ 2,085,725

LAGRANGE COUNTY PUBLIC LIBRARY  
 SCHEDULE OF DEBT  
 December 31, 2011

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
General obligation bonds	to construct a new facility	\$ 5,495,000	\$ 225,849
General obligation bonds	to construct a new facility	615,000	56,993
General obligation bonds	to construct a new facility	<u>705,000</u>	<u>63,028</u>
Totals		<u>\$ 6,815,000</u>	<u>\$ 345,870</u>

LAGRANGE COUNTY 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	\$ 555,100
Buildings	7,410,430
Machinery, equipment, and vehicles	<u>268,197</u>
Total capital assets	<u>\$ 8,233,727</u>

LAGRANGE COUNTY PUBLIC LIBRARY  
EXAMINATION RESULT AND COMMENT

**CONDITION OF RECORDS**

Financial records presented for examination had the following deficiencies related to recordkeeping:

There was not a year-end balance for receipts and disbursements for individual funds. Totals had to be accumulated from monthly totals.

There was a difference between the Fund Balances Report and Annual Financial Report.

Debt Service property tax distributions were posted to the General Fund then transferred into the Debt Service Fund. \$3,060.42 of the tax distributions for Debt Service was not transferred into the Debt Service Fund.

A self-insurance fund was created February 16, 2011, by the Board and was not on the Annual Financial Report. Funds received for this fund were included in the General Fund.

The PLAC Fund was not a separate fund on the 2011 Annual Financial Report, but was on the 2010 Annual Financial Report.

The McClaskey Trust Fund was not separated from the Gift Fund on the Fund Balances Reports or the Annual Financial Reports for 2010 or 2011.

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)

LAGRANGE COUNTY PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on October 30, 2012, with Amber Taylor, CPA, Treasurer; Mary Hooley, Director; Jerry White, President of the Board; and Jennifer Stewart, Business Administrator. The Official Response has been made a part of this report and may be found on page 22.

# Trowbridge Accounting, LLC

844 N. Detroit St.  
LaGrange, IN 46761  
Phone (260) 463-3787  
Fax (888) 890-3893

1 November 2012

State Board of Accounts  
Indianapolis, IN

RE: Audit Findings Response

To Whom It May Concern:

We have discussed the examination findings with the appropriate bookkeeping personnel and have compiled the following responses:

- *There was not a year-end balance for receipts and disbursements for individual funds. Totals had to be accumulated from monthly totals. Based upon our meeting with the examiner we have already adjusted the monthly report to now include year-to-date totals for the individual funds. This will make year-end preparation of the LAR report much easier as well.*
- *There was a difference between Fund Balances Report and Annual Financial Report. As discussed with the examiner these differences are due to refunds received against budgeted expenses. These will be reflected and easier to differentiate with our new report described above.*
- *Debt Service property tax distribution, self-insurance fund, PLAC fund, and McClaskey Trust Fund were not properly reflected in the Annual Financial Report. We had some challenges with the new Gateway Reporting System and will make sure that these items are properly reflected in future years' reporting system.*

Should you have any questions about our remediation of these issues, please do not hesitate to contact us at the number listed above.

Sincerely,

  
Amber L. Taylor CPA  
Treasurer