



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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December 3, 2021

To: The Officials of the South Whitley Community Public Library  
South Whitley Community Public Library  
201 E Front St  
South Whitley, IN 46787

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the review of the South Whitley Community Public Library. We have reviewed the review report concluded upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2017 to December 31, 2020. Per the *Independent Accountant's Review Report*, the financial statements included in the report present fairly the financial condition of the South Whitley Community Public Library as of December 31, 2017, 2018, 2019, and 2020, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Crowe LLP prepared the review report in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

  
Paul D. Joyce, CPA  
State Examiner

**SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY**  
Whitley County, Indiana

**FINANCIAL STATEMENTS**  
December 31, 2017, 2018, 2019 and 2020

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
Whitley County, Indiana

FINANCIAL STATEMENTS  
December 31, 2017, 2018, 2019 and 2020

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SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
SCHEDULE OF OFFICIALS (Unaudited)  
December 31, 2017, 2018, 2019 and 2020

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<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Vicki Builta	01-01-17 to 12-31-20
Treasurer	Kris Shoemaker	01-01-17 to 12-31-20
President of the Board	David Warner	11-13-18 to 12-31-20
	Randall Holler	07-03-17 to 11-12-18
	Debra Zawlocki	01-01-17 to 07-02-17

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Those Charged with Governance  
South Whitley Community Public Library  
Whitley County, Indiana

**Report on the Financial Statement**

We have reviewed the accompanying statements of receipts, disbursements, and cash and investment balances of the South Whitley Community Public Library (the Library) as of and for the years ended December 31, 2017, 2018, 2019 and 2020, and the related notes (the financial statements). A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Library's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1; this includes determining that this basis of accounting is an acceptable basis for the preparation of financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Accountant's Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the regulatory basis of accounting prescribed by the Indiana 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

***Accountant's Conclusion***

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the regulatory basis of accounting.

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(Continued)

***Basis of Accounting***

We draw attention to Note 1 of the financial statements, which describes the prescribed basis of accounting in accordance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). The financial statements are prepared in accordance with the prescribed basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, for the purpose of complying with state statute (IC 5-11-1-6). Our conclusion is not modified with respect to this matter.

***Other Matters***

The accompanying Schedule of Officials is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

***Restriction on Use***

This report is intended solely for the information and use of the South Whitley Community Public Library and the Indiana State Board of Accounts and is not intended to be and should not be, used by anyone other than these specified parties.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
November 11, 2021

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Years Ended December 31, 2017, and 2018

<u>Fund</u>	Cash and Investments <u>01-01-17</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-17</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-18</u>
Operating	\$ 515,576	\$ 671,325	\$ 576,140	\$ 610,761	\$ 693,699	\$ 611,536	\$ 692,924
Rainy Day	245,064	35,001	14,369	265,696	17,179	-	282,875
Library Improvement Reserve	94,140	7,500	18,500	83,140	1,000	15,731	68,409
PLAC	65	-	65	-	-	-	-
Early Literacy Fund	297	-	297	-	-	-	-
Evergreen Fund	10	213	223	-	215	215	-
Gift Restricted Fox	-	-	-	-	567,674	146,523	421,151
Gift Fund	18,215	1,226	2,104	17,337	4,735	5,392	16,680
Grant Fund	1,119	3,000	4,119	-	2,596	2,596	-
State Technology Grant Fund	-	4,548	4,523	25	4,726	4,751	-
Payroll	103	73,911	74,014	-	75,309	75,309	-
	<u>103</u>	<u>73,911</u>	<u>74,014</u>	<u>-</u>	<u>75,309</u>	<u>75,309</u>	<u>-</u>
Totals	<u>\$ 874,589</u>	<u>\$ 796,724</u>	<u>\$ 694,354</u>	<u>\$ 976,959</u>	<u>\$ 1,367,133</u>	<u>\$ 862,053</u>	<u>\$ 1,482,039</u>

See Independent Accountant's Review Report and notes to financial statements.

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
 STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH AND  
 INVESTMENT BALANCES - REGULATORY BASIS  
 For the Years Ended December 31, 2019 and 2020

<u>Fund</u>	Cash and Investments <u>01-01-19</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-19</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash and Investments <u>12-31-20</u>
Operating	\$ 692,924	\$ 721,771	\$ 572,432	\$ 842,263	\$ 1,134,164	\$ 1,021,802	\$ 954,625
Rainy Day	282,875	107,251	132,268	257,858	64,873	286,187	36,544
Construction Fund	-	-	-	-	299,250	299,222	28
Library Improvement Reserve	68,409	-	42,703	25,706	-	18,097	7,609
PLAC	-	130	65	65	195	260	-
Evergreen Fund	-	289	204	85	8	63	30
Gift Restricted Fox	421,151	1,244	173,869	248,526	39	170,473	78,092
Note and Interest Redemption	-	45,272	-	45,272	44,208	50,085	39,395
Gift Fund	16,680	802	2,787	14,695	1,336	2,047	13,984
Grant Fund	-	30,000	-	30,000	36,000	57,016	8,984
State Technology Grant Fund	-	3,600	3,606	(6)	3,602	1,202	2,394
Payroll	-	78,381	79,389	(1,008)	75,653	72,608	2,037
Totals	<u>\$ 1,482,039</u>	<u>\$ 988,740</u>	<u>\$ 1,007,323</u>	<u>\$ 1,463,456</u>	<u>\$ 1,659,328</u>	<u>\$ 1,979,062</u>	<u>\$ 1,143,722</u>

See Independent Accountant's Review Report and notes to financial statements.

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017, 2018, 2019 and 2020

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity: The South Whitley Community Public Library (the Library) was established under the laws of the State of Indiana. The Library operates under an appointed governing board.

The accompanying financial statement presents the financial information for the Library.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana 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. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), 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. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

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

*Taxes.* Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's 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.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions 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.* Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling 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.* Amounts received 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.* 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.

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(Continued)

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2017, 2018, 2019 and 2020

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

*Personal services*. Amounts disbursed 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*. Amounts disbursed for 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, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges*. Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

*Capital outlay*. Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Other disbursements*. Amounts disbursed for various other purposes including, but 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.

Fund Accounting: Separate funds are established, maintained, and reported by the Library. Each fund is used to account for amounts 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 amounts 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 Library itself.

**NOTE 2 – 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 (PDIF). This includes any deposit accounts issued or offered by a qualifying financial institution.

The Library held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable. The Library did not hold investments for any of the years under review.

**NOTE 3 – CASH BALANCE DEFICITS**

The financial statements contain the State Technology Grant Fund, which has a cash deficit balance at December 31, 2019. This fund is used for reimbursable grants and cash deficits result when cash receipts occur in a subsequent period. The Payroll fund has a cash deficit balance at December 31, 2019, as a result of expenditures exceeding receipts during 2019.

SOUTH WHITLEY COMMUNITY PUBLIC LIBRARY  
EXIT CONFERENCE  
December 31, 2017, 2018, 2019 and 2020

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The contents of this report were discussed on November 11, 2021 with Vicki Bulta, Director, and David Warner, President of the Board.