

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

EXAMINATION REPORT
OF
UNION COUNTY PUBLIC LIBRARY
UNION COUNTY, INDIANA
January 1, 2006 to December 31, 2006



FILED
02/14/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Karen Kahl	01-01-06 to 12-31-08
Treasurer	Robert Barnard	01-01-06 to 12-31-08
President of the Board	Joan Mathews	01-01-06 to 12-31-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Union County Public Library (Library), for the period of January 1, 2006 to December 31, 2006. 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 year ended December 31, 2006, 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

January 10, 2008

UNION COUNTY PUBLIC LIBRARY
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Year Ended December 31, 2006

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 43,690	\$ 416,257	\$ 392,136	\$ 67,811
Gift	2,401	11,231	13,512	120
Rainy Day	7,744	-	-	7,744
Memorial	6,594	94	-	6,688
Summer Reading Program	12	1,055	1,067	-
Teens Advisory Council	256	150	297	109
Bond and Interest Redemption	56,342	163,171	145,000	74,513
Library Improvement Reserve	69,520	109	63,354	6,275
Building	9,558	-	9,558	-
Portrait of Liberty	444	3,539	2,984	999
Wish List	161	4	-	165
TTP	-	3,312	2,899	413
Silent Auction	-	1,152	-	1,152
LSTA	-	-	2,637	(2,637)
Fiduciary Funds:				
Payroll Withholdings	4,212	60,368	60,561	4,019
PLAC	57	124	119	62
Totals	<u>\$ 200,991</u>	<u>\$ 660,566</u>	<u>\$ 694,124</u>	<u>\$ 167,433</u>

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

UNION COUNTY 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 or highway use taxes are received 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.

UNION COUNTY PUBLIC LIBRARY
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2006

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>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 412,500
Improvements other than buildings	17,220
Machinery and equipment	<u>929,906</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,359,626</u>

UNION COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2006

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Capital leases:		
Library renovation and expansion	\$ 1,695,000	\$ 143,000

UNION COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on January 10, 2008, with Karen Kahl, Director; and Joan Mathews, President of the Board. Our examination disclosed no material items that warrant comment at this time.