

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

EXAMINATION REPORT
OF
OHIO COUNTY PUBLIC LIBRARY
OHIO COUNTY, INDIANA
January 1, 2008 to December 31, 2009



FILED
11/16/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Amy C. Ketzer Cynthia Schmid-Perry	01-01-08 to 05-15-08 05-16-08 to 12-31-10
Treasurer	Karen Jackson	01-01-08 to 12-31-10
President of the Board	Melissa Wallace	01-01-08 to 12-31-10



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Ohio County 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, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

August 17, 2010

OHIO COUNTY 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	\$ 162,974	\$ 159,246	\$ 162,149	\$ 160,071
Gift	6,744	871	-	7,615
Riverboat Revenue Sharing	210,371	89,488	98,480	201,379
Rainy Day	20,229	5,768	-	25,997
Rising Sun Regional Foundation	200	-	-	200
Library Improvement Reserve	29,963	6,348	-	36,311
Poellman Memorial	117,127	914,419	100,718	930,828
State Technology	4,500	4,500	4,125	4,875
Construction	16	-	16	-
Fiduciary Fund:				
PLAC	144	60	60	144
Totals	<u>\$ 552,268</u>	<u>\$ 1,180,700</u>	<u>\$ 365,548</u>	<u>\$ 1,367,420</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 160,071	\$ 115,810	\$ 163,587	\$ 112,294
Gift	7,615	4,300	40	11,875
Rainy Day	201,379	6,575	63,976	143,978
Riverboat Revenue Sharing	25,997	590	-	26,587
Rising Sun Regional Foundation	200	-	-	200
Library Improvement Reserve	36,311	3,376	-	39,687
Poellman Memorial	930,828	24,980	92,750	863,058
State Technology	4,875	4,500	5,250	4,125
Fiduciary Fund:				
PLAC	144	-	-	144
Totals	<u>\$ 1,367,420</u>	<u>\$ 160,131</u>	<u>\$ 325,603</u>	<u>\$ 1,201,948</u>

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

OHIO 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 culture 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.

OHIO COUNTY 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.

OHIO COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 For The Year Ended December 31, 2009

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:	
Land	\$ 1,901,000
Buildings	2,240,646
Improvements other than buildings	186,125
Machinery and equipment	<u>219,976</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 4,547,747</u>

OHIO COUNTY PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

ANNUAL REPORT

Some of the financial transactions and cash and investment balances reported in the 2008 and 2009 Library Annual Report (LAR) did not agree to the receipts, disbursements or cash and investment balances in the Library's Financial and Appropriation Record. Examples in reporting differences were as follows:

- (1) in the 2008 LAR, the total receipts, disbursements and cash and investment balances of all library funds were shown as General Fund transactions and balances; and
- (2) in the 2009 LAR, all receipts for the Gift Fund, Rainy Day Fund, Library Improvement Reserve Fund and State Technology Fund were not reported and disbursements for the General Fund were reported incorrectly.

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)

OHIO COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 17, 2010, with Cynthia Schmid-Perry, Director, and Karen Jackson, Treasurer. The officials concurred with our finding.