

B38279

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

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



FILED
01/07/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Beverly Martin	01-01-08 to 12-31-10
Treasurer	Ray Jones	01-01-08 to 04-01-11
President of the Board	Tom Armor	01-01-08 to 04-01-11



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Johnson 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 and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts 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

October 14, 2010

JOHNSON 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	\$ 821,480	\$ 5,106,351	\$ 5,135,132	\$ 792,699
Gift	11,130	5,226	2,474	13,882
Rainy Day	1,061,168	240,267	22,522	1,278,913
Step Ahead	666	-	-	666
Bond and Interest Redemption	915,328	1,842,546	1,912,700	845,174
Construction Fund 2003	2,910	-	2,910	-
Construction Fund #2	-	4,027	4,027	-
Library Capital Projects	965,456	296,798	596,525	665,729
Library Improvement Reserve	474,426	6,739	-	481,165
Special Funds	756,568	44,509	-	801,077
Community Network	24,639	-	-	24,639
Adult Learning Center	5,416	2,726	5,741	2,401
Friends	6,416	21,415	21,408	6,423
Levy Excess	22,713	-	22,713	-
Escrow Retainage - Construction 05	33,090	440	33,530	-
Art Work Fund	842	-	175	667
State Grant	13,364	67,990	60,018	21,336
Construction # 4	2,471	9,737	12,208	-
SCHIRA Memorial Gift Fund	-	1,595	1,250	345
Fiduciary Fund:				
PLAC	1,200	5,790	5,640	1,350
Totals	<u>\$ 5,119,283</u>	<u>\$ 7,656,156</u>	<u>\$ 7,838,973</u>	<u>\$ 4,936,466</u>
	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Governmental Funds:				
General	\$ 792,699	\$ 5,250,526	\$ 5,562,732	\$ 480,493
Gift	13,882	3,111	3,106	13,887
Rainy Day	1,278,913	638,795	426,510	1,491,198
Step Ahead	666	-	-	666
Bond and Interest Redemption	845,174	1,099,396	1,944,570	-
Library Capital Projects	665,729	637,549	505,886	797,392
Library Improvement Reserve	481,165	2,103	-	483,268
Special Funds	801,077	34,867	-	835,944
Community Network	24,639	-	42	24,597
Adult Learning Center	2,401	3,887	2,536	3,752
Friends	6,423	21,441	22,162	5,702
Art Work Fund	667	-	150	517
State Grant	21,336	58,944	58,944	21,336
Great Stories Grant	-	200	-	200
SCHIRA Memorial Gift Fund	345	150	-	495
GO Bond 2009	-	1,997,273	56,359	1,940,914
Fiduciary Fund:				
PLAC	1,350	5,520	5,460	1,410
Totals	<u>\$ 4,936,466</u>	<u>\$ 9,753,762</u>	<u>\$ 8,588,457</u>	<u>\$ 6,101,771</u>

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

JOHNSON 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: health and social 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 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.

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.

JOHNSON 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.

JOHNSON 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	\$ 1,299,018
Infrastructure/Buildings	9,778,462
Improvements other than buildings	869,122
Machinery and equipment	1,878,947
Artwork	<u>54,500</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 13,880,049</u>

JOHNSON COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Bonds payable:		
General obligation bonds:		
Preliminary Expense New Library	\$ 2,000,000	\$ 997,038
	\$ 2,000,000	\$ 997,038

JOHNSON COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on October 14, 2010, with Beverly Martin, Director; Sara Reese, Finance Manager; and Ray Jones, Treasurer. Our examination disclosed no material items that warrant comment at this time.