

B39425

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

EXAMINATION REPORT
OF
HANCOCK COUNTY PUBLIC LIBRARY
HANCOCK COUNTY, INDIANA
January 1, 2009 to December 31, 2010



FILED
10/06/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Dianne Osborne	01-01-09 to 12-31-11
Treasurer	Deborah R. Barnhart	01-01-09 to 12-31-11
President of the Board of Directors	Mark Copeland Margaret Pritzke	01-01-09 to 12-31-09 01-01-10 to 12-31-11



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial statements of the Hancock County Public Library (Library), for the period of January 1, 2009 to December 31, 2010. The Library's management is responsible for the financial statements. 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 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, 2009 and 2010, on the basis of accounting described in Note 1.

The Combining Schedules of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis, 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 financial statements. They have not been subjected to the examination procedures applied to the financial statements and, accordingly, we express no opinion on them.

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

August 24, 2011

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FINANCIAL STATEMENTS

HANCOCK COUNTY PUBLIC LIBRARY
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For The Year Ended December 31, 2009

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Operating	\$ 3,257,591	\$ 3,538,272	\$ 3,345,824	\$ 3,450,039
Capital Campaign	(4,107)	7,001	2,440	454
Endowment Grant	250	-	-	250
Gift Fund	10,434	2,620	3,151	9,903
Rainy Day Fund	1,133,977	592,681	-	1,726,658
R. Majors Gift Fund	353	-	353	-
Credit Card Sales	69,825	30,293	1,594	98,524
Meeting Room Reservation Fund	1,925	1,020	660	2,285
Rainy Day Special Cagit	451,104	3,262	454,366	-
Bond Interest Redemption	-	475,332	350,000	125,332
Construction Ckg. Fund	46,152	-	46,152	-
Lirf	259,383	253,313	-	512,696
Capital Projects	185	-	185	-
Deferred Compensation	-	16,865	14,807	2,058
Pre-Tax Insurance	(6,122)	46,949	40,827	-
Perf	5,971	22,740	22,639	6,072
Fed Tax Withheld	(1,019)	103,708	98,698	3,991
State Tax Withheld	(2,969)	44,967	41,998	-
County Tax Withheld	(899)	15,667	14,768	-
Post-Tax Insurance	713	3,103	3,816	-
Plac	420	1,620	2,040	-
United Way	561	3,254	3,815	-
Gift Fund Restricted	6,695	5,492	9,128	3,059
Fica Withheld	-	101,675	101,675	-
	<u>\$ 5,230,423</u>	<u>\$ 5,269,834</u>	<u>\$ 4,558,936</u>	<u>\$ 5,941,321</u>

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

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

	Cash and Investments 01-01-10	Receipts	Disbursements	Cash and Investments 12-31-10
Operating	\$ 3,450,039	\$ 3,532,751	\$ 3,531,999	\$ 3,450,791
Capital Campaign	454	46,999	45,627	1,826
Endowment Grant	250	-	-	250
Gift Fund	9,903	1,957	1,419	10,441
Rainy Day Fund	1,726,658	195,038	-	1,921,696
Youth As Resources Grant	-	800	399	401
Credit Card Sales	98,524	34,338	1,771	131,091
Meeting Room Reservation Fund	2,285	60	-	2,345
Bond Interest Redemption	125,332	468,859	303,468	290,723
Lirf	512,696	153,871	-	666,567
Deferred Compensation	2,058	-	2,058	-
Perf	6,072	-	6,072	-
Fed Tax Withheld	3,991	-	3,991	-
Gift Fund Restricted	3,059	3,353	2,804	3,608
	<u>\$ 5,941,321</u>	<u>\$ 4,438,026</u>	<u>\$ 3,899,608</u>	<u>\$ 6,479,739</u>

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

HANCOCK 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 (primary government), and does not include financial information for any of the Library's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial information of the Library (primary government.)

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 may include, but are not limited to, 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.

Special assessments which include amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

License and permits which includes amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction or permits levied according to the benefits presumably conferred by the permit. Examples of license and permits include: peddler licenses; dog tax licenses, auctioneer license, building and planning permits, demolition permits, electrical permits, sign permits; and gun permits.

HANCOCK COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Intergovernmental receipts which includes receipts from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of this type of receipts includes, but is 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: planning commission charges, building department charges, copies of public records; copy machine 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 which includes 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).

Net proceeds from borrowings which includes receipts from general obligation bonds, notes and loans.

Intergovernmental loan activity which includes amounts received from other funds as loans on a temporary basis.

Transfers in which includes funds authorized by statute, ordinance, resolution or court order to be transferred in from another fund.

Internal service receipts which are comprised mostly of fees received for services performed for other funds.

Fiduciary receipts which are comprised mostly of contributions to the pensions funds from state and local sources.

E. Disbursements

Disbursements are presented in the aggregate on the face of the financial statements. The aggregate disbursements may include, but are not limited to, the following uses:

Personal services which includes outflows 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 which includes 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.

HANCOCK COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Other services and charges which includes, but is not limited to: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance; and rental charges.

Debt service principle and interest which includes 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 includes all outflows for land, infrastructure, buildings, improvements, machinery and equipment having an appreciable and calculable period of usefulness.

Interfund loan payments and loans made which includes amounts that are owed to a particular fund by another fund.

Transfers out which includes funds authorized by statute, ordinance, resolution or court order to be transferred to another fund.

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.

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.

HANCOCK COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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% 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 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.

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.

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. These risks may also be mitigated by the Library by recording as a disbursement and replacement items purchased.

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 PERF Board, most requirements of the system, and give the Library authority to contribute to the plan. The

HANCOCK COUNTY PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

SUPPLEMENTARY INFORMATION – UNAUDITED

For additional financial information, the Library's Annual Reports can be found on the Indiana Transparency Portal website: www.in.gov/itp/annual_reports/.

HANCOCK COUNTY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009

	Operating	Capital Campaign	Endowment Grant	Gift Fund	Rainy Day Fund	R. Majors Gift Fund	Credit Card Sales
Cash and investments - beginning	\$ 3,257,591	\$ (4,107)	\$ 250	\$ 10,434	\$ 1,133,977	\$ 353	\$ 69,825
Receipts:							
Taxes	1,879,673	-	-	-	-	-	-
Intergovernmental	1,548,729	-	-	-	-	-	-
Charges for services	15,673	-	-	-	-	-	37
Fines and forfeits	56,356	-	-	-	-	-	26,490
Other receipts	37,841	7,001	-	2,620	592,681	-	3,766
Total receipts	<u>3,538,272</u>	<u>7,001</u>	<u>-</u>	<u>2,620</u>	<u>592,681</u>	<u>-</u>	<u>30,293</u>
Disbursements:							
Personal services	1,795,837	-	-	-	-	-	-
Supplies	79,527	-	-	-	-	-	1,594
Other services and charges	730,369	2,440	-	2,000	-	-	-
Capital outlay	490,091	-	-	1,151	-	-	-
Other disbursements	250,000	-	-	-	-	353	-
Total disbursements	<u>3,345,824</u>	<u>2,440</u>	<u>-</u>	<u>3,151</u>	<u>-</u>	<u>353</u>	<u>1,594</u>
Excess (deficiency) of receipts over disbursements	<u>192,448</u>	<u>4,561</u>	<u>-</u>	<u>(531)</u>	<u>592,681</u>	<u>(353)</u>	<u>28,699</u>
Cash and investments - ending	<u>\$ 3,450,039</u>	<u>\$ 454</u>	<u>\$ 250</u>	<u>\$ 9,903</u>	<u>\$ 1,726,658</u>	<u>\$ -</u>	<u>\$ 98,524</u>

HANCOCK COUNTY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Meeting Room Reservation Fund	Rainy Day Special Cagit	Bond Interest Redemption	Construction Ckg. Fund	Lif	Capital Projects
Cash and investments - beginning	\$ 1,925	\$ 451,104	\$ -	\$ 46,152	\$ 259,383	\$ 185
Receipts:						
Taxes	-	-	428,945	-	-	-
Intergovernmental	-	-	235	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	1,020	-	-	-	-	-
Other receipts	-	3,262	46,152	-	253,313	-
Total receipts	<u>1,020</u>	<u>3,262</u>	<u>475,332</u>	<u>-</u>	<u>253,313</u>	<u>-</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	660	-	350,000	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	-	454,366	-	46,152	-	185
Total disbursements	<u>660</u>	<u>454,366</u>	<u>350,000</u>	<u>46,152</u>	<u>-</u>	<u>185</u>
Excess (deficiency) of receipts over disbursements	<u>360</u>	<u>(451,104)</u>	<u>125,332</u>	<u>(46,152)</u>	<u>253,313</u>	<u>(185)</u>
Cash and investments - ending	<u>\$ 2,285</u>	<u>\$ -</u>	<u>\$ 125,332</u>	<u>\$ -</u>	<u>\$ 512,696</u>	<u>\$ -</u>

HANCOCK COUNTY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	<u>Deferred Compensation</u>	<u>Pre-Tax Insurance</u>	<u>Perf</u>	<u>Fed Tax Withheld</u>	<u>State Tax Withheld</u>	<u>County Tax Withheld</u>
Cash and investments - beginning	\$ -	\$ (6,122)	\$ 5,971	\$ (1,019)	\$ (2,969)	\$ (899)
Receipts:						
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Other receipts	<u>16,865</u>	<u>46,949</u>	<u>22,740</u>	<u>103,708</u>	<u>44,967</u>	<u>15,667</u>
Total receipts	<u>16,865</u>	<u>46,949</u>	<u>22,740</u>	<u>103,708</u>	<u>44,967</u>	<u>15,667</u>
Disbursements:						
Personal services	14,807	40,827	22,639	98,698	41,998	14,768
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Other disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>14,807</u>	<u>40,827</u>	<u>22,639</u>	<u>98,698</u>	<u>41,998</u>	<u>14,768</u>
Excess (deficiency) of receipts over disbursements	<u>2,058</u>	<u>6,122</u>	<u>101</u>	<u>5,010</u>	<u>2,969</u>	<u>899</u>
Cash and investments - ending	<u>\$ 2,058</u>	<u>\$ -</u>	<u>\$ 6,072</u>	<u>\$ 3,991</u>	<u>\$ -</u>	<u>\$ -</u>

HANCOCK COUNTY PUBLIC LIBRARY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
 CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For The Year Ended December 31, 2009
 (Continued)

	Post-Tax Insurance	Plac	United Way	Gift Fund Restricted	Fica Withheld	Totals
Cash and investments - beginning	\$ 713	\$ 420	\$ 561	\$ 6,695	\$ -	\$ 5,230,423
Receipts:						
Taxes	-	-	-	-	-	2,308,618
Intergovernmental	-	-	-	-	-	1,548,964
Charges for services	-	-	-	-	-	15,710
Fines and forfeits	-	-	-	-	-	83,866
Other receipts	3,103	1,620	3,254	5,492	101,675	1,312,676
Total receipts	3,103	1,620	3,254	5,492	101,675	5,269,834
Disbursements:						
Personal services	3,816	-	3,815	-	101,675	2,138,880
Supplies	-	-	-	-	-	81,121
Other services and charges	-	-	-	-	-	1,085,469
Capital outlay	-	-	-	9,128	-	500,370
Other disbursements	-	2,040	-	-	-	753,096
Total disbursements	3,816	2,040	3,815	9,128	101,675	4,558,936
Excess (deficiency) of receipts over disbursements	(713)	(420)	(561)	(3,636)	-	710,898
Cash and investments - ending	\$ -	\$ -	\$ -	\$ 3,059	\$ -	\$ 5,941,321

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

	Operating	Capital Campaign	Endowment Grant	Gift Fund	Rainy Day Fund	Youth As Resources Grant	Credit Card Sales	Meeting Room Reservation Fund
Cash and investments - beginning	\$ 3,450,039	\$ 454	\$ 250	\$ 9,903	\$ 1,726,658	\$ -	\$ 98,524	\$ 2,285
Receipts:								
Taxes	1,947,985	-	-	-	-	800	-	-
Intergovernmental	1,374,874	-	-	-	150,139	-	-	-
Charges for services	15,696	-	-	-	-	-	69	-
Fines and forfeits	54,381	-	-	-	-	-	30,016	60
Other receipts	139,815	46,999	-	1,957	44,899	-	4,253	-
Total receipts	<u>3,532,751</u>	<u>46,999</u>	<u>-</u>	<u>1,957</u>	<u>195,038</u>	<u>800</u>	<u>34,338</u>	<u>60</u>
Disbursements:								
Personal services	1,852,484	-	-	-	-	-	-	-
Supplies	70,450	-	-	-	-	287	1,771	-
Other services and charges	855,651	-	-	-	-	-	-	-
Capital outlay	581,526	45,627	-	1,419	-	112	-	-
Other disbursements	171,888	-	-	-	-	-	-	-
Total disbursements	<u>3,531,999</u>	<u>45,627</u>	<u>-</u>	<u>1,419</u>	<u>-</u>	<u>399</u>	<u>1,771</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>752</u>	<u>1,372</u>	<u>-</u>	<u>538</u>	<u>195,038</u>	<u>401</u>	<u>32,567</u>	<u>60</u>
Cash and investments - ending	<u>\$ 3,450,791</u>	<u>\$ 1,826</u>	<u>\$ 250</u>	<u>\$ 10,441</u>	<u>\$ 1,921,696</u>	<u>\$ 401</u>	<u>\$ 131,091</u>	<u>\$ 2,345</u>

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

	Bond Interest Redemption	Lif	Deferred Compensation	Perf	Fed Tax Withheld	Gift Fund Restricted	Totals
Cash and investments - beginning	\$ 125,332	\$ 512,696	\$ 2,058	\$ 6,072	\$ 3,991	\$ 3,059	\$ 5,941,321
Receipts:							
Taxes	30,975	-	-	-	-	-	1,979,760
Intergovernmental	419,496	-	-	-	-	-	1,944,509
Charges for services	-	-	-	-	-	-	15,765
Fines and forfeits	-	-	-	-	-	-	84,457
Other receipts	18,388	153,871	-	-	-	3,353	413,535
Total receipts	468,859	153,871	-	-	-	3,353	4,438,026
Disbursements:							
Personal services	-	-	2,058	6,072	3,991	-	1,864,605
Supplies	-	-	-	-	-	-	72,508
Other services and charges	303,468	-	-	-	-	-	1,159,119
Capital outlay	-	-	-	-	-	2,804	631,488
Other disbursements	-	-	-	-	-	-	171,888
Total disbursements	303,468	-	2,058	6,072	3,991	2,804	3,899,608
Excess (deficiency) of receipts over disbursements	165,391	153,871	(2,058)	(6,072)	(3,991)	549	538,418
Cash and investments - ending	\$ 290,723	\$ 666,567	\$ -	\$ -	\$ -	\$ 3,608	\$ 6,479,739

HANCOCK COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2010

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.

Description of Debt	Ending Balance
Primary government:	
Capital assets, not being depreciated:	
Buildings	\$ 5,750,000
Machinery and equipment	1,304,809
Total capital assets, primary government	\$ 7,054,809

HANCOCK COUNTY PUBLIC LIBRARY
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2010

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Library debt:		
Bonds payable:		
General obligation bonds:		
Main Library	<u>\$ 4,645,000</u>	<u>\$ 442,385</u>

HANCOCK COUNTY PUBLIC LIBRARY
EXAMINATION RESULT AND COMMENT

PLAC FUND

Public Library Access Card (PLAC) receipts were incorrectly recorded in the Operating and Credit Card Sales Funds. In addition, PLAC card receipts for the first quarter of 2010 in the amount of \$1,780 and for the third quarter of 2010 in the amount of \$2,100 were not remitted to the State Library.

All money received from the sale of PLAC cards should be receipted to a PLAC fund. Payments are to be made to the State Library of such receipts on a quarterly basis as required by 590 IAC 3. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 3)

HANCOCK COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2011, with Deborah R. Barnhart, Treasurer; Dianne Osborne, Director; and Dave Gray, Director of Technology. The officials concurred with our finding.