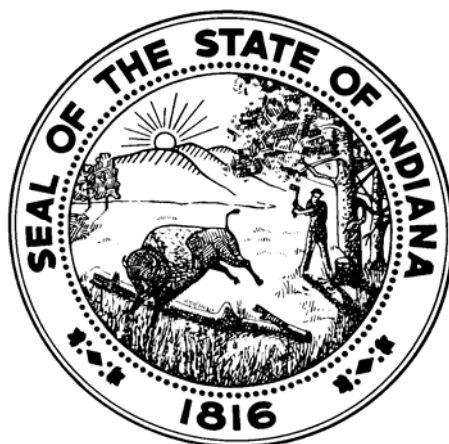


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF
OHIO COUNTY PUBLIC LIBRARY
OHIO COUNTY, INDIANA
January 1, 2003 to December 31, 2005



FILED
7/19/06

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Amy C. Ketzer	01-01-03 to 12-31-06
Treasurer	Melissa Brunner Karen Jackson	01-01-03 to 06-30-03 07-01-03 to 12-31-06
President of the Board	Melissa Wallace	01-01-03 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of Ohio county public library (Library), for the period of January 1, 2003 to December 31, 2005. The Library's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

May 31, 2006

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, 2003, 2004, And 2005

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
General	\$ 102,005	\$ 138,279	\$ 124,685	\$ 115,599
Gift	2,503	1,354	1,064	2,793
Riverboat Revenue Sharing	146,347	74,272	50,321	170,298
Rising Sun Regional Foundation	730	5,000	3,610	2,120
Library Improvement Reserve	18,267	3,290	-	21,557
Fiduciary Fund:				
PLAC	25	104	77	52
Totals	<u>\$ 269,877</u>	<u>\$ 222,299</u>	<u>\$ 179,757</u>	<u>\$ 312,419</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
General	\$ 115,599	\$ 138,585	\$ 126,345	\$ 127,839
Gift	2,793	1,255	-	4,048
Riverboat Revenue Sharing	170,298	69,548	63,367	176,479
Rainy Day	-	13,520	-	13,520
Rising Sun Regional Foundation	2,120	-	1,920	200
Library Improvement Reserve	21,557	3,072	-	24,629
Fiduciary Fund:				
PLAC	52	234	234	52
Totals	<u>\$ 312,419</u>	<u>\$ 226,214</u>	<u>\$ 191,866</u>	<u>\$ 346,767</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 127,839	\$ 91,969	\$ 131,859	\$ 87,949
Gift	4,048	1,021	-	5,069
Riverboat Revenue Sharing	176,479	105,076	168,689	112,866
Rainy Day	13,520	611	-	14,131
Rising Sun Regional Foundation	200	-	-	200
Library Improvement Reserve	24,629	688	-	25,317
Fiduciary Fund:				
PLAC	52	140	-	192
Totals	<u>\$ 346,767</u>	<u>\$ 199,505</u>	<u>\$ 300,548</u>	<u>\$ 245,724</u>

The accompanying notes are an integral part of the schedules.

OHIO COUNTY PUBLIC LIBRARY
NOTES TO SCHEDULES

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: 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.

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 SCHEDULES
(Continued)

Note 6 Pension Plan

Public Employees' Retirement Fund

Plan Description

The government 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 government 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.

Note 8. Subsequent Event

On March 16, 2006, the Ohio County Public Library began Construction of a new library facility. The cost of the project is estimated to be two million dollars. An interlocal agreement between the City of Rising Sun, Ohio County and the Ohio County Public Library Board was entered into to provide funding for the project. The City and the County both have committed one million dollars to the project. The City and the County, also, entered into a loan agreement to borrow \$1,500,000 for the initial construction phase. The loan which has an interest rate of 3.75%, for a term of four years, will be repaid by the City and the County from their respective committed funds.

OHIO COUNTY PUBLIC LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on May 31, 2006, with Amy C. Ketzer, Director; and Karen Jackson, Treasurer. Our examination disclosed no material items that warrant comment at this time.